Technical Study 62e

Entrepreneurs in Education

Canada's Response to the International Human Resource Development Challenge

Donald Simpson and Carol Sissons

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Il existe également une édition française de cette publication.

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89-06069/

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IDRC-TS62e

Entrepreneurs in education: Canada's response to the international human resource development challenge. Ottawa, Ont., IDRC, 1989. x + 101 p. (Technical study / IDRC)

/Human resources development/, /aid programmes/, /training programmes/, /training abroad/, /developing countries/, /Canada/ — /aid evaluation/, /programme planning/,/attitudes/, /aid institutions/, /higher education institutions/, /private enterprises/, /manpower needs/.

UDC: 377:341.232(71)

ISBN: 0-88936-527-X

Technical editor: W.M. Carman

A microfiche edition is available.

The views expressed in this publication are those of the authors and do not necessarily represent those of the International Development Research Centre. Mention of proprietary names does not constitute endorsement of the product and is given only for information.

Abstract / Résumé / Resumen

Abstract — This study highlights the changing world of human resource development (HRD) and explores possible responses from private- and public-sector organizations in Canada. Its key message is that unless Canadian institutions are prepared to consider new approaches to program development, financing, and organizational structures, developing-country institutions looking for Canadian assistance and aid agencies requiring Canadian capacity to deliver their programs will be faced with a major resource problem. To increase and improve the international HRD capacity of Canadian institutions, there needs to be changes in attitudes, structure, and financing. This study looks at how market forces are affecting HRD activities and examines developing Canadian centres of excellence. The impact of changing HRD demands on a variety of issues is also explored. There is a need for joint ventures and networks among postsecondary institutions, crown corporations, government departments, nongovernmental development agencies, and private-sector companies. This need and innovative ways of increasing the funds available to improve the Canadian response to HRD requests from the Third World are examined.

Résumé — Cette étude met en lumière l'évolution des besoins en matière de développement des ressources humaines (DRH) et examine des mécanismes d'adaptation que pourraient adopter les organismes du secteur privé et du secteur public au Canada. Son message central, c'est qu'à moins que les établissements canadiens ne soient disposés à envisager de nouvelles approches pour la mise au point des programmes, le financement et les structures d'organisation, les établissement des pays en développement qui demandent l'aide du Canada et les organismes subventionnaires qui font appel aux capacités canadiennes pour la prestation de leurs programmes seront aux prises avec de graves problèmes sur le plan des ressources. Pour accroître et renforcer la capacité des établissements canadiens en matière de DRH à l'échelle internationale, il est essentiel que des changements s'opèrent sur les plans des attitudes, des structures et du financement. L'étude examine la façon dont les forces du marché influent sur les activités de DRH et se penche sur les centres d'excellence qui voient le jour au Canada. Elle explore également les répercussions de la demande changeante en matière de DRH dans divers domaines. Il serait utile que les établissements postsecondaires, les sociétés d'État, les ministères du gouvernement, les organismes non gouvernementaux de développement et les entreprises du secteur privé lancent des initiatives et des réseaux conjoints. Ce besoin, de même que des moyens innovateurs d'accroître le financement réservé à l'amélioration de la capacité du Canada de répondre aux demandes de DRH en provenance du Tiers-Monde, sont aussi examinés.

Resumen — Este estudio pone de relieve el cambiante mundo del desarrollo de recursos humanos (DRH) y explora posibles respuestas provenientes de organizaciones del sector público y privado en Canadá. Su mensaje principal consiste en que a menos que las instituciones canadienses estén dispuestas a considerar nuevos enfoques en relación con el desarrollo de programas, financiamiento y estructuras organizacionales, las instituciones de países en desarrollo que busquen ayuda canadiense y las agencias de ayuda que necesiten la capacidad de Canadá para llevar a cabo sus programas se enfrentarán a una gran escasez de recursos. Para aumentar y mejorar la capacidad internacional del DRH de las instituciones canadienses es necesario que haya cambios en las actitudes, la estructura y el financiamiento. Este estudio analiza la manera en que las fuerzas del mercado influyen sobre las actividades de DRH y examina el desarrollo de centros canadienses de excepcional calidad. Se estudian

también las repercusiones que tendrían las demandas cambiantes de DRH sobre una variedad de cuestiones. Existe la necesidad de emprender proyectos y redes conjuntas entre instituciones postsecundarias, corporaciones de la corona, ministerios, agencias de desarrollo no gubernamentales y compañías privadas. Se examina esta necesidad y también nuevos modos de aumentar los fondos para que sea mayor el monto de la ayuda que Canadá asigna a solicitudes procedentes de países del Tercer Mundo relacionadas con el DRH.

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Acknowledgments

We are indebted to Jan Simpson of Salasan Associates who provided excellent organizational and editing skills in the first phase of the work. Unfortunately, time did not permit her to be involved in the drafting of this final report. Jeannette Weston deserves recognition for typing and retyping the manuscript through its various stages. Our appreciation is also given to the vast number of people in North America, Europe, and the Third World who have helped to educate us to some of the realities of development and hopefully helped us become more realistic without becoming cynical.

The International Development Research Centre (IDRC) not only provided the financial resources that made this study possible but also encouraged the investigation of the broad aspects of the subject rather than focusing on specific topics. The Centre encouraged the pursuit of some of the action projects that began to flow out of the study, even though this meant a delay in the completion of this report. Frequent discussions of the preliminary results with the staff of IDRC's Fellowships and Awards Division (particularly Chris Smart) were highly satisfying, both professionally and personally. For all these reasons, we owe IDRC a debt of gratitude.

Foreword

The Fellowships and Awards Division of the International Development Research Centre (IDRC) has embarked on a series of in-depth studies on human resource development (HRD) in different regions of the developing world to determine the needs and priorities in this sector and to assist in making judicious resource-allocation decisions. However, because much of the formal and some of the nonformal training, which is carried out in support of developing human capacity for the Third World, is done in Canada, the Division commissioned this study to investigate the HRD potential that exists in Canada. Specifically, the Division wished to learn to what extent Canadian institutions, both public and private, could provide high-quality programs to assist IDRC in building both human resources and training programs in the developing-country institutions that seek its assistance. Where such capacity is lacking, ways and means of encouraging HRD capacity must be explored.

The thesis of this study is that unless new efforts are made to increase the capacity of Canadian institutions to develop and deliver appropriate support for HRD, the Third World institutions looking for Canadian capacity to deliver these programs will be faced with a major resource problem in the future. This study does not in any way attempt to evaluate the effectiveness of regular Bachelor's, Master's, and Doctoral programs in Canada in which developing-country students are now enrolled. Rather, the need for some new responses to HRD requests is discussed, and some of the emerging training models are documented and analyzed. Featured in these analyses are strategies for joint ventures, either among educational institutions or among a variety of public- and private-sector organizations.

The principal investigator in this study, Dr Donald Simpson, is one of the leading HRD experts in Canada, particularly as it applies to training (in its most comprehensive meaning) the human resources of the developing world. While maintaining a part-time foothold in academe through his association with the School of Business Administration at the University of Western Ontario in London, Ontario, Dr Simpson has, in the past few years, created a base of operations from Kanchar International Inc. This has given him great flexibility to explore HRD problems (in both a Canadian and overseas perspective) using an eclectic group of experienced professionals from a wide variety of backgrounds. Kanchar International Inc. has permitted Dr Simpson to follow his instincts into an area that he is convinced is near the core (and, thereafter, the solution) of the problems of development.

This publication is very timely in that HRD has received the renewed attention it rightly deserves through the recently published report of the Standing

Committee on External Affairs and International Trade, *For whose benefit?/Qui doit en profiter?* (the *Winegard Report*). Equally, the donor community in general and IDRC in particular are devoting increased attention and resources to capacity building. This study goes beyond the Standing Committee report with respect to its specific arguments and illustrations concerning the obstacles to, and solutions for, increasing Canadian institutional capacity to respond to Third World needs in the area of human resource development.

G.R. Bourrier
Director
Fellowships and Awards Division

1 Introduction

This report is about new challenges and new opportunities in the changing world of international human resource development (HRD). This field, which for many years was left to a committed band of development agency personnel and educators, has fast become a multimillion dollar international business attracting a wide range of public and private groups. The new challenges come from the vast array of new requests for Canadian expertise, tough new competition from other industrialized countries, and a concern that, although the number and variety of Canadian organizations offering HRD capacity is expanding, the overall quality of the Canadian response is not keeping pace.

The new opportunities come from the recognition that Third World demands for HRD skills from industrialized countries are large and growing, and represent not only a useful focus for Canada's aid effort but also a huge export market for Canadian services. There are many implications for Canadian organizations as a result of these changes in the international HRD environment. Do these changes represent a cyclical trend requiring only ad hoc responses or do they require a fundamental restructuring of the approach of those Canadian organizations interested in international training opportunities?

By responding to the lure of large dollars for tailor-made education programs, are Canadian postsecondary institutions in danger of undermining their integrity? Are Canadian private development agencies (nongovernmental organizations, NGOs) becoming competitive rather than supportive of the Third World NGOs they are supposed to be helping?

Are the policies of our aid agencies weakening rather than strengthening the Canadian HRD community? Can the Canadian development community provide the leadership for the required new responses by the public and private sector or are they hopelessly stuck in the ideological mind set of the 1960s? Does the recognition of substantial economic benefits to Canada offer the chance of broad based political support for an expanded aid program or will it lead to a disastrous undermining of the altruistic Canadian commitment to international development?

Will Canadian institutions be able to respond successfully to the growing complaint from overseas institutions that our marketing efforts, including our lack of a national education mechanism, leave foreign clients in great confusion about what it is that Canada does well in education and training? By involving the private, profit-making sector in Canadian HRD projects internationally, are we gaining access to an important new source of capacity or are we in danger of becoming "hustlers posing as educators"?

This transition period has caused considerable confusion, particularly for those Canadian organizations that are new to the field, have little understanding of

Third World development problems, and have even less knowledge of the historical development of the Canadian involvement in Third World development. Somehow, the benefits to be gained from lessons learned in our past efforts have not been maximized.

This report will hopefully assist Canadian organizations in making appropriate responses by sorting out the vast array of information about international HRD opportunities and responses and putting it in historical perspective. For Third World institutions, this report offers some understanding about the way in which Canadians view some of their requests, what constraints influence Canadian responses, and what new mechanisms are being developed to ensure more appropriate responses in the future.

On the matter of private sector involvement, in Canada, there is a substantial polarized reaction. Left-wing ideologues see this trend as another evil promoted by those forces determined to keep developing countries in a dependency position. Subscribers to right-wing ideology suggest that, if allowed to function unimpeded in a free market, the private sector is in the best position to handle most development problems successfully. In an attempt to broaden this debate, substantive space in this report is devoted to the role of the private sector. There is little chance of creating productive outputs from this private sector – public sector debate as long as the potential role and limitations of the private sector's role in development is so little understood by the aid community.

A call is made for various public and private sector groups to provide entrepreneurial leadership in responding to the changing HRD environment. The definition of an entrepreneur, however, is not limited to a risk-taking business person. Rather, it includes all those who see change as healthy and who seek out changing situations as an opportunity for innovation. The point made is that the international HRD market today offers such an opportunity for social and technical innovation.

Overall, this report argues that the shifts in the HRD environment in terms of Canadian relations with developing countries are not minor adjustments. They are substantial and require fundamental changes in attitudes, structures, and arrangements for funding HRD efforts. How Canadians respond will not only influence the ability of the country's aid program to deliver appropriate responses but also have a substantial impact on Canadian education and training institutions and the overall economy.

Methodology and report structure

In 1984, the International Development Research Centre (IDRC) provided initial support for an inquiry into the capacity within Canada to undertake HRD activities for Third World countries. The goal was to help the development community better understand the following four areas:

- the types of requests that were being made by developing countries;
- the range of human resources potentially available for international HRD activities;

- the constraints impinging upon the utilization of these available resources; and
- innovative ways in which Canadian organizations were responding to the requests.

The study was planned so that present activities and concerns in international HRD could be analyzed and better understood. Open-ended interviews were conducted with individuals in educational institutions, private companies, professional associations, and nongovernmental development agencies across Canada. Some interviews were held in developing countries visited by D. Simpson in the course of other work. The study then was neither planned as a library research project (although large numbers of reports were read) nor as a quantitative exercise involving the widespread use of questionnaires and research assistants. Rather, the interviews were designed to elicit reactions to current trends and examples of current activities by persons directly involved in international HRD.

The principal researcher (D. Simpson) had been engaged in international development work for 30 years and could draw upon extensive field experience in over 35 countries working with universities, aid agencies, nongovernmental development organizations, and private commercial firms. The intent was to have the principal author analyze present realities and, by drawing on his experience, fit them into a historical perspective.

The investigation produced extensive examples of HRD work, even though it was not designed as a systematic survey of what has been done and why it has been done. Only a small percentage of the samples have been used in this final report. Selections were made for the purpose of illustrating the issues raised in the interviews and to inform the debate of constraints aid agencies face in attempting to respond creatively to future HRD requests. The examples are not used as evidence to support specific findings. The emphasis is not on an inventory of examples but on the universe of HRD issues that must be clarified and debated if Canadians are serious about strengthening their HRD capacity. A selective sample of projects and activities has been chosen with just sufficient detail to enhance the debate and provide insight into the possible nature of useful future actions.

In 1985, a draft progress report was circulated to numerous individuals in North America, Europe, and the Third World. The report was also presented to a mixed Canadian and developing country audience at the joint University of Waterloo – IDRC Conference on Research for Third World Development. The reaction to the draft report shaped the subsequent efforts that are finalized in this document.

The process was highly dynamic. Statements made in the initial report quickly became outdated as some institutions responded to the new challenges with new policies or new projects. Also, as a result of the initial progress report, the principal author was invited to become involved in numerous work-related studies, policy discussions, project design, and operational activities being undertaken by public and private groups who were developing responses to the issues being raised in the study. This final report attempts to conclude the 3 years of study, which has involved movement between action projects, analysis, synthesis, and back to action in a rapidly changing environment.

The process of action and reflection over the past few years has resulted in

the identification of 18 issues the author feels are of strategic importance in moving toward an expanded international HRD capacity in Canada. Chapter 2 identifies these issues and considers the climate of change in which they are currently being addressed. Chapters 3 through 7 expand upon some of the strategic considerations and provide examples of some of the more innovative ways in which the issues are currently being addressed.

Chapter 8 deals with entrepreneurial fund raising related to specific issues of capacity building and Chapter 9 looks at the use of networks as a way of increasing Canadian capacity. Chapter 10 is the conclusion, briefly summarizing the suggestions and recommendations made throughout the report.

Main conclusions

During the process of this study, it became quite evident that new efforts are needed to increase the capacity of a variety of Canadian public and private institutions to develop and deliver support for human resource development to fit the changing needs of the Third World. Unless Canadian institutions are prepared to consider new approaches to program development, financing, and both project and organizational structuring, then developing-country institutions looking for Canadian assistance and aid agencies requiring the Canadian capacity to deliver their programs will be faced with a major resource problem. There is a feeling that the quality of much of the Canadian international HRD work is deteriorating and that the HRD community needs strengthening if this decline in quality is to be corrected.

To increase the international HRD capacity of Canadian institutions there will need to be

- changes in attitude (defining international HRD needs and potential capacity in new ways),
- changes in structure (organizing for cooperative efforts among public and private organizations), and
- changes in financing (finding new ways of mobilizing capital to develop new Canadian capacity).

This report will explore what has been happening and what still needs to be done in terms of changes in these three areas.

Reasons for increased interest in Third World HRD

Throughout the 1960s, the emphasis in aid and development activities gradually shifted away from education and training toward capital assistance to strengthen physical infrastructure. The decision by aid agencies to reduce support for training was due to administrative constraints and new development priorities. The management of training programs was labour intensive and aid agencies found themselves unable to continue to commit such substantial administrative resources to the delivery of these programs.

In the late 1970s, donors paid considerable attention to the issues of food aid

and basic assistance for improved health and welfare of the "poorest of the poor." It was a laudable sentiment to share more aid resources with those at the very bottom of the economic ladder, but aid agencies often found that it was not easy to find starting points for development projects among these least-advantaged people.

The 1980s ushered in a period where the focus moved again from an emphasis on infrastructure to an emphasis on people. The main points causing this shift in attitude were an increased awareness of the complexities of economic growth, the interdependence of the world economy, and the limitations of knowledge to tackle some of the new development problems. Thus, once again, donor agencies have been forced to address the issues of HRD, particularly as they relate to the problems of technology adaptation, economic development and trade, and management for change.

As the interest of donor agencies in training projects was reviving, some Canadian institutions were beginning to see that these projects represented a substantial economic opportunity. Many developing countries began to push for access to North American technology and skills, and were looking to Canada for help. Canada has the ability to offer them this access in either French or English and, for some countries, Canada is more acceptable politically than the United States. The World Bank (International Bank for Reconstruction and Development, IBRD) and other regional development banks, sometimes prodded by the Canadian International Development Agency (CIDA), began to offer more Canadian institutions access to the large training projects that involve technical assistance overseas as well as placements in donor-country institutions. CIDA's decision to turn over the delivery of projects to other Canadian organizations now makes it technically possible to administer an expanded HRD program funded by the Canadian aid program.

One implication of the strong desire of developing countries to have access to Western technology is that, contrary to the expectations of many, the potential number of sponsored students from the Third World seeking access to Canadian institutions is increasing rather than decreasing. In 1983, the total number of students and trainees in Canada under CIDA's auspices stood at 971. Some internal CIDA reports are predicting that this number could be as high as 10 000 by the year 2000. Past speculation that Canada's interest in supporting institutional development within developing countries would mean a declining number of trainees in Canada has not been borne out. Most efforts to support institutional development overseas seem also to involve a substantial amount of training in Canada.

There is an awareness, however, of a new competition among industrialized countries to attract the best students from developing countries, particularly from the newly industrialized countries. The fact that, among the 17 development-assistance committee (DAC) countries, Canada stands 12th in terms of the number of students and trainees per CAD 1 million of aid, indicates that we have not yet made as large a commitment of our own aid money to training as many other aid agencies have.

Some government policymakers have begun to realize that the demand for Western HRD capacity (including technical assistance and courses in North America, Europe, and Japan) is huge. This demand is reflected not only in formal education projects but also in substantial training needs related to capital projects

funded by multilateral sources. In 1986, the estimate of overall world projects of this kind of training project was in excess of CAD 0.5 billion.

It is becoming clear, therefore, that the market for HRD capacity is huge and, although Canada continues to have some success in attracting university students (35 000 per year), Canadians have not been tapping much of the overall HRD market. The potential economic benefits to Canadian institutions of obtaining a larger share of this market has crystallized new support for international HRD work from many government, university, and business people who had previously shown little concern with Third World development.

While some Canadian development experts wrestle with what they see as the contradictory interaction of Canadian economic interests and Third World development interests, others argue that, both for sound developmental reasons and a concern for economic self-interest, there is a need to build an expanded HRD program within the Canadian aid program. In response to this need, some CIDA bilateral desks have dramatically increased their commitment to a wide variety of HRD activities. The Indonesia desk, for example, has moved to make HRD spending a cornerstone of its programing. To date, the majority of the China desk allocations have also gone to HRD work. CIDA's new focus on HRD has led to internal restructuring and the establishment of a new Social and Human Resources Division with a responsibility to assist all CIDA divisions in developing HRD programing.

Tentative CIDA policy plans speak of increasing the number of CIDA-supported trainees by 300% by the year 1990. If this target is accepted, it would include raising expenditures on trainees from 2.3% of official development assistance (ODA) to at least 5%.

Two projects from Asia provide insight into the magnitude of the demand from the developing countries for Canadian expertise. Indonesia has recently obtained Canadian assistance from the British Columbia Open Learning Institute for developing an Open University to handle over 400 000 long-distance learning students by 1990. The Chinese have included in their broad mix of requests to Canada one for assistance in training 40 000 auditors. As one CIDA official has put it, "the information/knowledge/skill revolution has begun in earnest in the Pacific Rim." This revolution is underway throughout the world in varying stages and one result is an increased demand for Canadian assistance in the area of HRD.

A definition of HRD

The renewed emphasis on HRD in the Canadian aid program and the way in which it is being defined can be described as a compromise position between the development philosophy that focuses on "growth through capital projects and infrastructure support" and the strategy that argues for a focus on "the poorest of the poor." The necessity of this compromise suggests that the present use of the term "human resource development" instead of "education and training" is not just a case of old wine in new skins. The focus of concern has returned to the individual in the development process; therefore, when we speak of HRD in this new sense, we are talking about the entire spectrum of development and not just a particular sector.

A country's state of development is measured by indicators of the quality of life: health, nutritional standards, housing, access to education, and employment. Human resource development is seen as the process of activating the available resources to meet the standard of living required by society.

The HRD sector as it is now being defined by many is neither restricted solely to the school system nor to these systems plus the formal and informal training programs of other government departments or private organizations. Seen as equally important are the technological inputs, material support, and on-the-job training components of capital projects that develop skills, increase productivity, and assist in the use of new technology. The range of activities covered by this view of HRD is wide. For example, within CIDA, at least three different categories of activities are now accepted as belonging to the HRD sector:

- direct assistance to education and training institutions;
- inputs to projects in other sectors (job training, transfer of technology, and organizational improvements); and
- social development activities (training for better health, nutrition, housing, etc.).

This changing definition of HRD requires a closer link between education and economic development. It stresses that the development of human resources requires both personal and professional support. Project requests increasingly will call for tailor-made formal training, backed by on-the-job training and a host of follow-up support activities. Demands for this type of HRD may require cooperative efforts between the public and private sectors in Canada. This approach suggests that it is not enough simply to build a school, pay for a teacher, or offer a fellowship. The process of building HRD projects is complex. It involves relationship building as well as institution building and requires long-term commitments.

2 International HRD Demands: Strategic Considerations

Strategic considerations

During the research, while grappling with the most appropriate definition of HRD, the nature of the changes in requests for HRD assistance, and the extent of Canadian capacity to respond to there requests, the following 15 issues have been identified as strategic. An understanding of these issues and their implications for action seem critical if the Canadian capacity to respond to HRD requests is to expand and improve.

1. HRD refers to almost the whole spectrum of development and has the potential to be the centrepiece of any aid program.

This approach to HRD has been growing in the minds of some key policymakers in the Canadian government. The recent report of the Parliamentary Committee on External Affairs and International Trade agreed that HRD "has the ability to serve as a kind of prism through which the entire aid program should be viewed" (Winegard 1987).

Bilateral desks at CIDA that are considering seriously the most appropriate definition of HRD find that HRD cannot be considered as a distinct program area. Rather, HRD permeates the entire country program and greatly influences both overall development and operational strategies. This definition of HRD sets new parameters on the evaluation of the extent of appropriate Canadian capacity and what needs to be done to strengthen capacity.

The manner in which HRD is defined will strongly influence the way in which changes in program design, implementation strategies, financial arrangements, and evaluation requirements are viewed. Thus, aid agencies and delivery agencies must be concerned with understanding the implications of the new definition of international HRD to understand how it can be undertaken within their activities. They need to take time to think through the implications of the new approach to HRD to decide what changes in program design, implementation strategies, and financial arrangements are needed. Some new problems will also be created in quickly raising disbursement patterns to reach the desired new level of HRD spending (CIDA 1987). Managers will have to offer short training experiences to help their staff understand the implications of this concept of HRD.

2. Implications of turning a variety of unrelated training inputs for a given country into a coordinated project that has some overall strategy and coherence.

In the past, there might have been only a few Canadians who actually knew the extent of the Canadian HRD involvement in a particular country. Through a system of supporting discrete projects, it was possible to have individual Canadian experts scattered through various ministries, a number of technical assistance personnel related to different projects, a number of uncoordinated twinning arrangements between Canadian and local institutions, and a variety of other inputs from various institutions. In addition to these efforts, there might have been a variety of programs by which trainees from the developing country were brought to Canada.

The tendency now is to package many of these elements within a country HRD program. There are some potential advantages when training awards no longer consist of a number of ad hoc decisions in different sections of the aid agency, but rather are part of some identifiable project. In moving to rationalize training schemes through integrated general training plans, however, CIDA should be aware that if the programs are not carefully designed and backed with appropriate new administrative and monitoring capacity, this move to turn the HRD activities into projects might merely lead to increased bureaucratization, a slow down in the process of approval, and a stifling of the initiative of the Canadian nongovernmental community (Loubser Consultants 1985; CBIE 1986a).

3. Changes are needed in CIDA's internal procedures to adjust to the implications of new HRD.

For CIDA, utilizing HRD as the underpinning of an entire country program will have serious implications for program design and management as well as requiring substantial new support systems. Although CIDA talks of a new policy passing on the administration of HRD projects to CEAs, there is little evidence that the necessary internal changes in attitude, strategy, policies, and procedures have been considered seriously. CIDA officers are using basically the same approaches they did when they had direct contracts with individual collaborators. Basically, the same officers in CIDA are operating with the same mechanisms and the same procedures even though the contracts are now with private organizations. This is a recipe for failure.

CIDA also must realize that many internal procedures derived from the demands of capital-intensive projects do not suit the development of HRD projects and, therefore, must be changed. For example, the separation of contracts for project design work from those for implementation activities may make sense when building a dam or a bridge; it makes almost no sense with large integrated HRD projects. In trying to force this inappropriate model on HRD agencies, CIDA has angered the implementors by bringing them in to operate a project in which they have had no design inputs. By pretending that design and planning for such projects can be compartmentalized and completed before anything is begun, designers are also frustrated.

This is a serious issue, and many of the best project-design groups are about to withdraw from this work. Not only does it not make pedagogical sense, it is hurting the design groups financially because, although the process understandably builds upon their beginnings and always takes longer, they are paid as if it is a neat, precise package.

CIDA must realize that HRD planning is a process that continues over the life of the project. This suggests that ongoing monitoring and evaluation procedures are crucial and that it is essential in many projects to allow one executing agency (or consortia) to do both the project planning and management.

There are also many ways to improve the understanding and analysis of Third World needs, an essential first step in the design of a quality program. Issues relating to the selection of trainers, language requirements, language and cultural preparation, professional, in-country support, and the data bases for Canadian HRD capacity all impinge on the quality of Canadian programing.

Clearly, new management and administrative problems will be created in the aid agencies as they attempt to raise disbursement levels to reach the desired new level of HRD spending. CIDA and IDRC managers will have to arrange for their staff to be trained to understand the implications of this concept of HRD.

4. Requests from developing countries for Canadian HRD support are changing in a variety of ways.

Changes in HRD requests from developing countries are evident in the following five developments:

- Requests for donor assistance are being made to support almost all sectors of national life.
- Assistance requests in differing disciplines are being received.
- There is a new emphasis on support for management training.
- Specific types of training programs are being requested.
- HRD linkages with Canada are beginning to form an important part of the foreign policy of some developing countries (e.g., China, Indonesia, Malaysia).

In the past, most aid assistance to education and training was directed to state institutions (schools, parastatal organizations or government departments). Renewed interest in the nongovernmental sector with respect to development has generated HRD requirements for a host of new private-sector groups in developing countries: nongovernmental development agencies, professional associations, consulting firms, private medical organizations, and chambers of commerce. Providing assistance to this broader range of organizations in developing countries requires some careful consideration to ensure that the Canadian efforts prove to be an enabling force rather than a competitive one.

With regard to the second point, even though HRD requests will continue for such basic development sectors as agriculture, education and health, priority is increasingly being assigned to new areas such as energy, trade marketing, industrialization, financial management and monetary policy, informatics and computerization, and the environment. Interest in supporting small scale private enterprise has prompted new requests for small scale credit schemes and training in such areas as costing, finance management, mobilization of capital, and marketing. In the more traditional development sectors, such as health and agriculture, there is a new interest in training people in broad policy skills that grapple with the delivery of wide-ranging services and require cross-disciplinary skills (see IBRD 1980). Canadian public and private development agencies must respond to the new

HRD requests and identify how they might best mobilize Canadian resources to respond to these new requests.

There is increasing recognition that a shortage of management skills is a major constraint to development. Requests for assistance in management development are coming from a wide variety of organizations such as commercial enterprises, educational institutions, research centres, government departments, NGOs, and social development projects. A Canadian group, in cooperation with top management institutions from developing countries, must map the range of management needs, the different skills required for different managerial roles, the methodologies that seem most efficient in developing those skills, and the various Canadian organizations now delivering these methodologies in a Third World setting. Only then will it be clear where the Canadian gaps in management training for development are and what actions might be necessary to close these gaps (Green and Wright 1986).

Concerning the fourth point, old-style "naked scholarships," which provide only a place in a regular degree program with no other support, are becoming less attractive to many developing countries. More frequently, training requests include provision for selecting and preparing the trainees, for tailoring programs to fit the students' specific needs, and for personnel and equipment to assist the students once they return to their own institutions. Programs that include a mix of formal training, on-the-job experience, and personal and professional support systems are in great demand. Skilled workers and trained technicians are needed by countries pushing to industrialize, and "hands-on" experience in plants is becoming an important part of the training process. Short, specialized programs for midcareer professionals are also part of the changing pattern of requests (see Salasan Associates 1984). Many of the requests for tailor-made programs do not fit easily within the regular programs offered by most Canadian educational institutions. Special efforts will have to be made to link the expertise of two or more different types of organizations to provide the desired program. How these linkages will be developed requires some new thinking.

Concerning the fifth and final point, in their development strategies, some developing countries see their international comparative advantage being determined by their access to Western technology and training. These countries are asking for more inputs from North America and most of their projects involve multifaceted training components. Canadian institutions will be at a disadvantage in responding to requests from these countries unless they understand the strategic importance and give some thought as to how international HRD fits in with their own institutional interests or with Canadian national strategic interests.

5. There is a need to find more Canadian executing agencies to deliver the HRD projects.

It is clear to all aid managers that HRD projects are extremely labour intensive. Present CIDA policy does not allow for the hiring of additional administrators to handle the delivery of the expanding HRD projects. This means that a large number of new CEAs must be found. It will not be easy to find groups with Third World experience who can quickly take on these new responsibilities in an effective and efficient manner.

It is important to recognize that although many Canadian NGOs have been active in Third World development, few have operating staff overseas and few have

any experience in administering large HRD projects. Changing HRD requests mean that new executing agencies must sometimes be found among Canadian organizations that have the required technical expertise but little or no commitment to, or experience in, international development. The mandate of the federal government to share aid projects across the country in a more equitable manner also means an active search by government to recruit agencies who have never before been involved in international development work.

All of these developments suggest that, unless efforts are made to strengthen the ability of different organizations to administer projects overseas, the quality of Canadian HRD work in developing countries will be under severe stress.

6. Support from aid agencies for capacity building in Canada is needed.

Core funding from CIDA, in addition to project support, has helped build a few substantial NGOs and a number of strong professional associations. As CIDA continues to deliver more of its HRD assistance through NGOs, attention must be given to increasing the field experience and program implementation skills of more NGOs so that they can effectively deliver programs overseas. At the same time, CIDA and IDRC must decide the extent to which they should become involved directly in building the capacity of private companies and educational institutions.

Educational institutions under severe financial constraints will be hard pressed to continue their present level of involvement and will find it extremely difficult to build expertise for a long-term commitment to a particular country or region without support from the aid agencies to build and sustain this expertise. Because it is now clear that expertise from the private, profit-making sector is needed for HRD projects, aid agencies need to consider how much they wish to assist these private companies to add the development knowledge and cross-cultural skills to their technical knowledge.

The cost of capacity building for both profit and nonprofit institutions could be shared between CIDA and the NGOs. CIDA's new Social and Human Resource Development Division is pioneering some new design efforts in this field and their efforts should be encouraged and supported.

7. More Canadian centres of excellence for Third World HRD must be developed.

Historically, Canadians have not developed a significant number of centres of excellence concerned with a geographical area in the Third World or a specific subject area related to international development. The present financial constraints, combined with the desire to provide good quality HRD training, has resulted in a search for new mechanisms that will enable existing resources to come together around a topic or problem of mutual benefit to Canada and a Third World country. The most appropriate ways of supporting the growth of "centres of excellence" for Canada's international HRD efforts must be considered.

8. Cooperative efforts between public and private or among public institutions are required.

This report argues that changing requests and the need for long-term commitments requires cooperative efforts by both public and private institutions. There is a need to illuminate, explain, and promote some of the successful and innovative partnerships and joint ventures between private sector firms, NGOs, and educational institutions in designing and delivering HRD projects for developing

countries. Brokers with extensive Third World experience have a part to play in bringing together public and private organizations in cooperative efforts to address some of the new HRD requests. There is also a need to nurture various types of networks among Canadian organizations to strengthen the capacity of these organizations to deliver the required response to Third World HRD requests.

9. International HRD activities are being influenced by the competitive spirit of the marketplace.

Political support for Canadian aid is being influenced by the extent to which assistance to developing countries has a positive impact on the Canadian economy. The international demand for HRD assistance has spawned a variety of responses by new Canadian agencies and has brought the competitive spirit of the marketplace into education.

In the past, CIDA relied heavily on Canadian educational institutions to provide training and technical assistance. Increasing and changing demands are requiring new responses at a time when these institutions are caught in a financial squeeze and facing reductions in their international involvement. Now, private nonprofit groups, profit-making corporations, professional associations, crown corporations, and government departments have been entering into competition with the universities and colleges in an area they see as a growth business opportunity.

The intrusion of market forces into the development business will be seen by some as an abomination. The development community needs to realize, however, that, used creatively, these market forces can not only add to the overall development process but also be a useful catalyst for improving private development agencies. The need to comprehend and use the positive aspects of these forces in development is a key issue at this time. Both public and private aid agencies need to grapple seriously with these issues.

10. Canadian HRD capacity is being viewed by some people as an export; however, the Canadian HRD community is not organized well enough to develop this export opportunity.

As developing countries become more interested in access to North American technology, training systems, and managerial capacity, Canadians need to consider that HRD usefully could be viewed as an export. Indeed it would appear that HRD is one of our most competitive exports (Simpson 1987). A recent study of the service sector in Ontario argues that "our best hope for competitive advantage in international trade lies not in the mass production of goods but in the specialized application of knowledge" (Ontario 1986).

The financial stakes for CEAs in tapping this export market are soaring. It is not unusual for organizations to be bidding on projects worth CAD 15, 20, or 25 million. The potential benefits to the executing agency through fees, support costs, and general overhead is substantial.

CIDA's decision to have a number of national organizations and a vast array of profit and nonprofit organizations as executing agencies in HRD has brought quick growth to some of these groups. However, it has also propelled them all into the international marketplace without any overall Canadian strategy. CIDA's policy of encouraging a diverse group of agencies across the country has also encouraged

the proliferation of small competing agencies who enjoy some minor international success (usually backed by CIDA's money) but who are left too small and weak to compete with organizations from other countries for the large international tenders of the development banks and foreign governments.

To tap the larger HRD markets, there is a need for a mechanism that permits a more comprehensive Canadian response to match the centralized German, United Kingdom, and Japanese responses, and the responses of substantial United States organizations such as the Academy for Educational Development, RCA Victor, the large accounting firms, and the International Bureau of Education (Rawkins et al. 1987). This situation is a problem of great urgency and merits serious attention at the highest levels of government, private, and public institutions.

11. New attitudes toward the role of profit in development are needed.

Although most Western aid agencies have recently paid a great deal of attention to the role of the private sector in development, the attitude of much of their staff toward new mechanisms for involving the private sector has been negative. The fact that the Third World private sector is often low on the priority lists of bilateral aid agencies and that Canadian voluntary agencies readily define themselves as nonprofit organizations and, for the most part, actively avoid the private sector at home and abroad indicates that there is a fundamental problem in interpreting what role profit can play in the development process. There is a critical need to address this confusion in Canada and to help the private and public aid agencies actively seek mechanisms that will help more private sector firms in both Canada and the Third World to focus their strengths on some of the key problems of development (Smillie 1986).

12. Increased consideration of institution building in developing countries as part of most HRD projects is needed; this will often require long-term commitments by Canadian institutions.

There is a concern among many people working in development and among some Third World personnel that Canadian institutions may push concern for Third World institution building into the background in their rush to take on HRD work for profit. Most donor agencies agree that their understanding of the best ways to improve the effectiveness of Third World institutions is limited. The donor community's approach to this work is essentially ad hoc and the causes of success and failure are poorly understood (Lusthaus and Anderson 1984). Indeed, in some parts of the developing world (particularly parts of Africa), there is increasing evidence that the project approach to delivering aid monies is actually hurting the institutions they were meant to support (Morss 1984).

Inherent in the new definition of HRD, which sees individuals within the organizational context where they will function with new knowledge and skills, is an emphasis on institution building. This approach requires Canadian participants to think about long-term commitments (5, 10, or 15 years) to an HRD program. CIDA's planning process will have to begin to take this time frame into account. Even though there are legal limitations to long-term commitments by CIDA, changes that will assist all participants to deal with this essential need can be built into the process. Planning should consider where the institution wants to be in 10 or 15 years and what programs will be supportive of that development.

13. Postsecondary institutions need to recognize new opportunities and to realize that participation in these new opportunities will likely require structural changes.

For the most part, educational institutions have neither seen developing-country HRD in business terms, nor realized that the game is being played with new rules and considerably higher stakes. These changes offer new opportunities but require institutions to work at developing an overall strategy and more flexible structures for their international activities, which might involve joint ventures with other public or private institutions.

Community colleges have made substantial responses to the new opportunities. A few universities have reorganized themselves in creative ways to enter into negotiations on the large projects and are benefiting from these changes. A great many institutions are unaware of the opportunities or are vaguely aware but not sure if they want to be involved. Increased efforts are needed to make more postsecondary institutions aware of the opportunities in the field of international HRD and how their strategies and structures will have to be altered if they decide to take advantage of these opportunities.

14. There is a growing concern about the role of women in development.

Donor agencies are placing more emphasis on the role of women in development (WID) and on the impact of development projects on women. This trend is growing and new agencies and associations focusing on the role of women in development are appearing in various parts of the world.

Among aid agencies, CIDA has played a leading role in developing an agency-wide WID policy. More effort is needed among all Canadian participants to work out practical implementation schemes that will activate the WID policies without allowing inappropriate quotas or ideological limitations to distort the serious developmental concerns that motivated these efforts (see Foster 1986).

15. Africa presents a special case for HRD support.

Because the state of industrial development in most African countries is well behind that of many other Third World countries, new HRD initiatives being implemented in Asia and in parts of Latin America may not necessarily be appropriate at this time in many African countries. Canadian businesses see fewer commercial opportunities in Africa than in the Pacific Rim and, as a result, it will be more difficult to create joint public/private sector initiatives for Africa than it has been for Asia and Latin America.

Serious new creative efforts are needed both to assist the development of African-based NGOs and to find a way to motivate increased joint public/private sector initiatives in Africa. Perhaps it is time to consider the establishment of a Canada–Africa foundation that would build on the work of a number of outstanding leaders in Canada and Africa who, in their own ways, have been nurturing this connection.

The environment for change

As recently as 1984, the attitudes of various organizations interested in international HRD work to the implication of the strategic issues just discussed were highly skeptical. For example, CIDA personnel (with some notable

exceptions) showed little concern about the problems of finding quality capacity in Canadian institutions. The conventional view was that there were many unemployed professors and teachers looking for work and institutions were short of money. Thus, CIDA would be able to purchase whatever type of assistance it needed. CIDA's basic position was that it had no responsibility for developing the capacity it needed to undertake overseas activities. That was the responsibility of individual Canadian institutions.

In addition, most of the NGOs were skeptical of cooperation with private companies, which they characterized as being exploitive. Similarly, educational institutions were wary of entering into joint ventures with private companies, feeling that their legitimate academic interests would be lost in such a venture. Few educational institutions or private companies felt they had much to gain from interactions with NGOs, who many viewed as well meaning but unprofessional.

Many educators committed to international development work found it hard to believe that considerable resources for this work were available if they organized themselves to respond to new needs. Most educators were skeptical of any suggestion to form a nonprofit corporation to take on joint ventures in international development.

Many Canadians interested in development work were skeptical of the advantages of applying business approaches to HRD activities. The idea of treating HRD capacity as a product and viewing it as a competitive export seemed like opportunism to many. To some Canadian development workers in developing countries and to some Third World educators, all this talk of the need to develop new Canadian capacity was just another way of diverting resources away from Third World institutions to Canadian institutions.

This study has been one of a number of initiatives underway over the past 2 years to interest a variety of agencies in grappling with the need for new attitudes and responses to changing HRD requests. These initiatives have made many accomplishments.

First, they have helped Canadian postsecondary institutions to appreciate the following:

- they cannot respond appropriately to some of the requests from developing countries;
- some NGOs and private companies are addressing seriously the design of appropriate teaching programs;
- market forces are influencing the selection of delivery agents more than before;
- there is an increasing market for new HRD work; and
- Third World HRD work can pay for itself and even be profitable, but the institutions have to decide priorities, structure themselves to address these priorities, and, in some cases, seek joint venture arrangements with other public- or private-sector organizations.

Second, they have helped CIDA, IDRC, and other federal and provincial institutions to realize the following:

- the resource crisis at the Canadian educational institutions seriously impedes their capacity to address Third World needs;
- many of the HRD requests from developing countries require tailor-made programs that might require a mix of formal courses, apprenticeship, and on-the-job training;
- to develop such tailor-made programs, a mix of public and private sector involvement will likely be needed;
- Canadian institutions will need financial assistance from donor agencies to develop this newly required capacity;
- brokers will be required to package these types of programs and the people with these skills will be found among various public and private agencies or in networks established by these groups specifically for this purpose;
- the Canadian HRD community needs considerable strengthening as the quality of some of the Canadian international HRD work shows signs of deteriorating; and
- there is a need to improve Canadian ability to tell others what types of HRD are done well in Canada.

Third, these initiatives have helped aid agencies and developing country personnel to consider that

- the focus on building Canadian capacity does not negate the need to strengthen institutions in developing countries,
- as long as Third World countries want access to Canadian expertise, there is a need to give them access to a wider range of programs tailored as much as possible to their needs and at a competitive price, and
- in developing such Canadian programs, concern should be given to maximizing returns for the Third World institution from which the trainee comes.

Fourth, they have helped Canadian NGOs to grapple with the fact that

- the Third World NGOs are starting to make requests that cannot be met from their normal range of resources and
- to respond to some of these requests, NGOs must become more aware of other personnel resources in Canada, some of which are located in the private, profit-making sector.

Finally, they have helped all concerned to realize that

- to speak of using the private sector in Canada to provide more of the drive for international development will be empty rhetoric unless more is done to find new processes and mechanisms to link the public and private sectors in a way that brings useful new resources to address the Third World HRD needs.

The events of the past 2 years indicate a substantial shift in Canadian thinking concerning Canadian HRD capacity. Some of the arguments raised in the first progress report of this study (May 1985) have been outrun by events. There has been a noticeable change in the degree of interest shown in the activities

mentioned. This is not to suggest that all these activities have begun in the last 2 years. Some quiet efforts to break new ground have been under way for some time. However, the number of activities has increased, recently reaching a point where it seems possible to speak of a new phase or a new vision of Canadian HRD involvement in international development.

A recent meeting of those CEAs involved in programs in China, encapsulated the sense of the new players in the international HRD drama. Included in the review meeting were 43 organizations ranging from university international offices, the Association of Universities and Colleges of Canada (AUCC), the Association of Canadian Community Colleges (ACCC), management schools, provincial ministries of natural resources, civic hospitals, private foundations, Agricultural Canada, the Canadian Seed Trade Association, the Potash and Phosphate Institute of Canada, B.C. Hydro, the Auditor General's Office, and private companies such as Lavalin (consulting engineers), Semex (export of semen), D & S Petroleum Consulting, and T.M. Thomson and Associates (architects).

At this time, there is a new stage set for HRD activities in international development. Arguments have been made that urge Canadians to appreciate the new drama, get their act together, and take it on the road. Yet many people are still asking "What is the act and where is the road?" As a result of activities of various organizations over the past 2 years, it is now possible to describe the various acts that are being written and to indicate some of the roads being taken to showcase the new acts. Subsequent sections of this report will elaborate on some of the strategic considerations and new initiatives under way to enable others to continue the momentum for change.

3 Market Forces and Profit Making in International HRD

Market forces and development problems

One of the major new strategic considerations to be addressed is the role that market forces have come to play in influencing the way in which Canadian capacity for Third World HRD work is being developed. This trend is evident in many recent developments, for example:

- the recognition by many developing countries that access to Western technology and training is crucial in helping them to become internationally competitive exporters;
- the realization that, increasingly, middle- and upper-level developing countries come seeking Canadian HRD expertise not as supplicants seeking handouts but as clients ready to purchase tailor-made products with loans or their own funds, which they can allocate as they choose;
- the inability of many Canadian universities to respond in innovative ways because of an increased concern about the allocation of their scarce resources;
- the linking of aid and trade in Canadian government policy and the selling of training programs, which has become big business;
- the emergence of many new executing agencies in the private and public sectors that have never been involved in international activities but see that it is a growth activity;
- recognizing the fact that the service sector in Canada now accounts for 75.6% of employment and 72.4% of gross domestic product;
- the recommendation by some Canadian policymakers that future economic-development policies such as tax measures, industrial assistance and export-promotion initiatives should be considered in a context that fully recognizes the importance of the services sector to our economy;
- the emergence of a belief that HRD capacity should be seen as a highly competitive export product that is eligible for export incentives;
- the use of export-promotion (PEMD) and Department of Regional and Industrial Innovation (DRII) grants (usually reserved for the export of manufactured goods) to promote the export of educational services; and
- the concern in Canadian government circles that we must do more to

compete successfully with other Western donor agencies in attracting good Third World students and trainees to Canadian institutions.

The application of commercial terminology and bottom-line evaluations to international development work is not appreciated by many people in the international development community. Many are concerned that a true interest in the development process and in international equity will be lost if these forces come to dominate.

References in this study to the private sector, market forces, return on investment, marketing the HRD product, analyzing customer needs, etc., have not been intended to suggest that the private sector can be the most significant element in our drive to bring about development. Rather, it is useful to remind educational institutions and NGOs that some private sector companies are making significant contributions in both the design and delivery of HRD programs for developing countries; these companies could make more of a contribution if they were to work in concert with those who know the development field well. It is also useful to suggest that the NGOs and the educational institutions could improve their ability to respond efficiently and effectively to HRD requests if they were to incorporate into their organization and their operations some of the normal procedures required to keep a private business operating.

The role of profit in development

It seems that the development community is about to come to grips with the whole issue of profit. The association of profit with self-interest or exploitation limits many people's flexibility for action in terms of partners for development projects. Ian Smillie (1986) writes

> the word "profit" has the same Latin root as the term "proficient" and means, at its most elementary, an excess of revenue over expenses. Taken at this level, "profit" might appear to have the same generic meaning for business as it does for government and non-governmental organizations which seek to create jobs, to develop "income generation" projects, or activities which lead to "self sufficiency."

There is a fundamental difference in the interpretation of the meaning of profit and, therefore, a difference of opinion exists between three important groups with strong interests in the Third World: government, private-sector, and voluntary agencies. It is counterproductive to ignore totally the private, profit-making firms in developing countries when, in our own society, these firms have played a productive role in our development by creating jobs, products, and wealth.

Universities and the profit motive

When university people state that their institution is not concerned with making money from its international work, they imply an altruistic commitment toward this activity. Although this commitment is laudable, in an era of stringent budget constraints, if there is no return on investment (profit) how can continued allocation of scarce human resources to these endeavours be justified? Unless they are required to have a margin above costs, how will universities have the resources to develop additional capacity, to test the market, to see what products the Third

World institutions want, and to tailor make programs to fit their clients' needs? Unless they make a profit, where will universities find the money to cover the initial development costs on major projects, to organize a serious tender bid on a major project, to advertise to overseas clients the range of resources they have to offer, or to explore various potential associates to find the correct joint venture partner?

NGOs and the profit motive

Many NGOs often fail to obtain key resources because of their stereotype of the capitalist community. Some NGOs, along with some development experts in Canadian universities, are stuck in a 1960's mentality. They are reluctant to become too linked to a private sector firm, either in Canada or in a developing country, for fear of being viewed as supporting the exploitation, rather than the development, of the Third World. They feel that the private sector (by definition) will always put the return on investment ahead of the development objective. The few NGOs who have taken a more entrepreneurial approach to their operations have come to grips with the profit motive are viewed with suspicion by many in the international aid community.

Aid agencies and the profit motive

Emphasis on the involvement of private, profit-making companies in development activities is now part of Canadian government policy. Support for this policy comes from the minister responsible for CIDA, the president of CIDA, and from the special joint committee of parliament on Canada's international relations. In some ways, however, this trend remains a policy without clear implementation plans. Many Canadian aid personnel are having difficulty accepting and internalizing the positive link that is being argued.

When CIDA personnel talk about the requirement that they work with the private sector, they are often referring only to the Canadian private sector, whose involvement in the tendering process for CIDA contracts they now accept, albeit reluctantly. Many do not appreciate the need for new mechanisms so that CIDA inputs can be leveraged in attracting increased commitments to developing countries by the Canadian private sector. Many also do not appreciate the role that private, developing-country companies play in development. They find it abhorrent that Canadian government money might assist an African private firm to make money. Although this link between government and the private sector has become commonplace in nurturing development in Canada, a psychological barrier to similar cooperation in our overseas aid work remains. As a result, few CIDA officers are taking an active role in developing new projects of this type.

CIDA's Industrial Cooperation Division has worked hard to develop a more positive link between CIDA and the private sector both in Canada and the developing world. However, their understanding of the potential role of the private sector in development has not spread widely through the agency, not even among some of the people responsible for policies on CIDA's relationship with business.

While the United States Agency for International Development (USAID) is winning plaudits overseas for the energetic and creative way it has moved to work

with the private sector, Canadian aid agencies are lagging behind. Although some bilateral desks are beginning to explore creative new approaches with the private sector, most Canadian aid personnel are still struggling with the question of whether this link is appropriate. Of those who speak favourably of the role of the private sector, many still lack the knowledge of how private companies make decisions and what incentives are required to obtain their desired services.

The alienation of many Canadian aid agency personnel from and ignorance of private sector enterprise in developing countries, and the profit motive that fosters it, is a barrier to present development work. Private sector people are urgently needed to help shape new aid projects and the organizations of workshops to help both CIDA and IDRC personnel sort out frameworks for involving the private sector in development. In searching for their appropriate role in this area, IDRC staff have recently reviewed the policies of different aid agencies toward private-sector participation.

The linking of trade and aid

The increased interest in linking trade with aid actually brings together a long-standing interest of many Third World representatives with a new-found interest of many recession-battered North American companies in finding new markets in developing countries. Canadian high technology firms need to realize, if they have not already done so, that obtaining international commercial contracts is becoming more dependent on their ability to deliver efficient and effective training programs. Also, the international development banks have begun to insist that engineering firms bidding on large capital projects include detailed training plans for transferring their skills to local firms through on-the-job training.

A consideration of the issues during the course of this study has led to three main conclusions.

- The debate over linking trade activities and development has created a more positive attitude by some politicians for increased funding to international HRD activities.
- CIDA bilateral programs that have tried to use HRD as an integrative element in the overall country program have been forced to address directly how the HRD component links with the commercial trade aspects of their program.
- There is some evidence that programs in which Canadian interests are openly acknowledged may lead to activities better suited to the overseas recipient than programs developed in an atmosphere that suggests complete altruism.

Increasingly, people from developing countries, when discussing potential projects with Canadian institutions, are asking "What is in it for the Canadians?" They are not asking this in a critical way. Rather, their point is that, unless there is some clearly understood Canadian self-interest, how can the developing-country group count on the Canadians staying with them for a long time?

HRD capacity as an export

Some academics see the treatment of HRD as a product and the linking of Canadian HRD capacity with the world of business and trade as heresy. The issue is a complex one; linking our Third World activities with Canadian trade should not be the sole or even prime goal of our development efforts. However, those Canadian educators who are appalled at their institutions for linking HRD efforts with trade and profit should not automatically assume that the development concerns of Third World countries can not be well served at the same time.

Consider the example of the HRD programs with China. A serious effort has been made in this program to develop links between institutions on the basis of their mutual strengths and to increase the chances of success by developing such methods of support as language training, orientation centres, and participant profiles. Some of the approaches used in the China projects have been advocated for years by Canadian nongovernmental development agencies but have always been rejected as being too costly. Why were they possible in the China project? The answer seems to be that the decision to focus on HRD work in China was a high-level strategic one in Canada based on a desire to promote long-term Canadian economic interests in China. With minimal money to spend on developing Canadian relationships and with a sense that the Chinese market had important potential for Canada, the decision was made to use HRD projects as the easiest way to help the Chinese learn what Canada has to offer.

There is nothing earth shattering about this approach, but the subtle difference in emphasis has had a significant impact upon the development of the program. It is important to note that in a program where our own self-interest has been one of the driving forces, CIDA (along with a number of Canadian public and private sector groups) has often produced training projects that are better suited to the overseas recipient than those that are developed in an atmosphere where altruism was the major driving force.

Why is this so? If the overseas institution is seen as a client, rather than a handout recipient, then different responses may be made to stated needs. If it is important to offer the client language testing and training in China to ensure a good program, such a program can then be quickly prepared and paid for. If specialized orientation centres in Canada are seen as a crucial part of the two-way movement of personnel, then such centres can be established. If the client wants a combination of formal and on-the-job training, then a modified cooperative program can be established, even if it would be prohibited by the normal constraints of the employment and immigration department.

If HRD work is directed by self-interest, the goal is to please the client and that means making a serious effort to find out what the client wants and then designing programs that fit the stated needs as closely as possible. In the case of China, it should be realized by the Canadian development community that the long-term Canadian commercial interests seem to have had a positive effect on the development of training programs and the link between HRD and trade has been direct.

The view of HRD capacity as a competitive export is helping to reshape the views of the Canadian populace and the politicians toward foreign students. Those Canadians who are concerned with international development should realize that

this concept may be used by them to win some of the battles over developing more attractive, open, and less costly opportunities for Third World students and trainees. The Canadian Bureau for International Education (CBIE 1986b), in arguing for more open policies on foreign students, makes the economic arguments that those students currently spend in excess of CAD 400 million on goods and services in Canada and that 4500 jobs in Canada are directly supported by the international student body.

The argument that market forces may help to increase the efficiency of a variety of development activities is summarized nicely in another report by the Task Force on Federal Policies and Programs for Technology Development. It states "Everybody needs customers. The innovation process in other words functions best when it is subjected to real world demands, and when research and development are conducted for somebody" (Wright 1984).

Precautions

As the pressure increases to allow market forces to play a greater role in shaping our international HRD activities and to link Canadian trade and development interests, participants should be aware of a number of potential problems.

- Private development agencies should be wary of some Canadian equipment companies who may seek to use them as inexpensive sales representatives in foreign countries.
- Some private companies may want to form joint ventures with NGOs to use their HRD component as a lost leader in a joint tender bid for an international contract.
- Canadian NGOs or education institutes involved in joint efforts with profit-making firms must be careful to avoid a conflict of interest situation in which they are doing a feasibility study for a foreign client and using that knowledge to give a Canadian supplier the inside track on a contract.
- CIDA will have to decide whether or not it is desirable to have an NGO use CIDA funds to soften the terms of a joint venture bid with a private company so that the Canadian company can be more competitive in international bidding.

Various provincial and federal agencies need to consider the growing evidence that there are too many different Canadian groups competing for the same international market. Theoretically it is argued that this freewheeling competition (which sees various groups, often supported by different Canadian government agencies, going after the same project) will insure a better product at a better price for the Third World client. Too often, however, it means wasteful duplication that hinders the chances of Canadian firms and forces some of our better HRD groups to decide to withdraw from these types of activities.

Inadvertently, Canadian aid policies have fragmented the Canadian HRD community and have been highly wasteful because of the duplication of expenditures by the vast array of competing organizations. These policies have also turned some private agencies into "carpet baggers," chasing any aid project, no

matter how appropriate, to meet monthly cash flow requirements. The result has been to confuse the international clients who are met with an array of Canadian agencies offering the same services for different prices even though the different agencies may plan to tap the same Canadian resources.

There is a danger that, in trying to involve too many players too quickly in the expanding international HRD market, without assisting in their development or without building good networks, Canadian responses will lose sight of the original goals and become fragmented, low in quality, and noncompetitive. There is a need for high-level action on these matters of marketing our HRD expertise internationally in both an efficient and an effective manner.

If winning international bids and maximizing profits become the key issues, many Canadian institutions may be inclined (or forced) to turn to the easier, less risky, projects to ensure success. This will not be a positive change in terms of development needs.

It is essential to recognize that the forces that led to the strategic decision to support the broad tailor-made HRD programs in China as a means of increasing trade will apply to a limited number of Third World countries that have the potential to be good commercial clients of Canada. We must not lose sight of the fact that many countries (particularly those in Africa) are not seen as large trading partners and, thus, will not necessarily benefit from the same enlightened self-interest with which Canadian officials view China and much of Southeast Asia. The concept of treating all Third World institutions as "clients to be pleased," however, could provide a stimulus to better planning and development.

It is important to acknowledge that a purely "bottom-line" approach to development could have considerable negative impact (Winegard 1987). If faced squarely, however, market forces can be used in a positive manner to both increase and improve the Canadian capacity to deliver appropriate HRD activities in response to developing-country requests. It is important to note that even though there may be purely political reasons for bringing the interests of the private sector to bear on international HRD work, there are also functional, developmental reasons.

In summary, Canada needs to develop new mechanisms that allow Canadians to link trade and aid, view HRD as an export, link the public and private sectors together in projects with some bottom-line accountability, and still maintain some integrity about putting the interests of the client foremost. These new mechanisms will be crucial if we are to avoid the accusation recently heard in Southeast Asia that they were seeing something new from Canada: "hustlers posing as educators."

4 Strategies and Structures of Public and Private Organizations

Postsecondary institutions

Impact of resource constraints

The exciting new challenge for involvement in international HRD work has come at a time when the flexibility of Canadian postsecondary institutions to develop alternative and specialized programs, to place more of their top staff overseas, and to mount research efforts aimed at developing countries is limited by severe financial constraints. Although it may be difficult for many Third World academics to comprehend that a Canadian institution with a multimillion dollar budget can have real financial problems, it is important for everyone to realize that this financial crisis threatens the ability of Canadian postsecondary education institutions to continue to commit quality resources to international efforts.

The expansion of the postsecondary system in the 1960s, fueled by the postwar baby boom and the increased participation rates, created heightened expectations for higher education. By the mid-1970s, however, governments were faced with fiscal pressures as they tried to fund increased public sector services stimulating economic recovery in the private sector. Throughout the country, the governments began to retrench and per capita spending for higher education was severely reduced by the 1980s.

University awareness of the new HRD environment

A wide variety of university personnel were interviewed. Some of their views on the environment for international HRD activities are discussed here.

Administrators supportive of international involvement often had the sense that postsecondary institutions would never make money and would be lucky to break even on international projects. Many individuals felt there was no viable market in international HRD that would warrant serious, substantial involvement of their institution.

Faculty members who wanted their institutions to work in the Third World often found themselves arguing that although international projects might cost the institution money, they should stay involved for reasons of morality, staff development, and the need to give their students access to a wider world. These educators found it hard to believe that considerable resources for international work were available if they organized themselves to respond to new needs.

Faculty and administrators were increasingly critical of CIDA's funding policies but often understood little of the rationale behind the policies of the Institutional Cooperation and Development Services Division (ICDS) and knew little of CIDA beyond ICDS. Only a few of those interviewed had any direct connection with IDRC and knew only vaguely, if at all, of IDRC's cooperative program, which would most likely provide the opportunity for their participation.

Many university administrators were insulted by CIDA giving contracts to private consulting companies, whom they saw as parasites. They were also upset at being asked to submit tenders against other institutions and private companies. They understood little of why market forces were playing a bigger role in the awarding of international projects by all funding agencies, including the regional development banks and the Third World countries themselves. They were also wary of entering into joint ventures with private companies, feeling that their legitimate academic interests would be lost in such a venture. They were even more skeptical of any suggestions to form nonprofit corporations to take on joint ventures in international development.

Some institutions have been following the changes in international HRD with interest and have been developing processes to decide if and how they should participate in these new opportunities. However, many university personnel are still not comfortable with the idea of treating education as a product to be marketed internationally.

University participation in the new opportunities

Universities sometimes reject requests to participate in major projects with the comment "We are not in the aid business." This response should not be interpreted as a parochial and selfish attitude toward the world. Rather, it should be seen as an expression of concern for the integrity of the university. Universities have a mandate for teaching and research. They were not conceived as consulting centres for hire to the highest bidder. Thus, there is a legitimate concern among some university people about getting their institutions too involved in massive aid projects. By responding to the new financial incentives and, thus, taking on new international commitments, universities may find it difficult to allocate its human resources. The resource constraint at the universities, of course, involves people as well as money.

Some institutions have responded to this challenge by setting international priorities, analyzing where the resources are, and organizing themselves to obtain some of these new resources to expand their Third World activities. These institutions have recognized that the market is substantial, that the required products are somewhat different from what they have offered in the past, and that the development and marketing of their expertise may require new arrangements including joint ventures. They also realize that their institution could reap substantial financial benefits. They believe that they can receive these benefits while remaining true to their mandate as a teaching and research institution.

Universities interested in international work have been assisted by their own professional organization. The Association of Universities and Colleges in Canada (AUCC) established its International Development Office (IDO) in 1978. The initial success of the IDO in winning international contracts was limited by the

unwillingness of some of its own members to give full support to these efforts. IDO's role has been mainly in the liaison and information areas where its activities have ranged from publishing newsletters and organizing conferences to the publication of specialized booklets. A second edition of their *Directory of Canadian University Resources* was published in 1985. Those institutions interested in exploring World Bank projects will be greatly assisted by IDO's recent *Guide to the World Bank for Canadian Universities*.

More recently, IDO has begun to play a significant role as broker for international projects. There are clear indications that the role of IDO is becoming more significant as a lobbyist for institutions, as a catalyst to stimulate international efforts by universities, and as a broker to link interested institutions with other Canadian and international donor agencies, education institutions, and government ministries.

Community-college awareness of the new HRD environment

Community colleges have been much more aggressive and entrepreneurial than universities in marketing their product. Initially, colleges hired international marketing people (in some cases, salespeople from commercial agencies). More recently, they have relied to a great extent on their own association, the Association of Canadian Community Colleges (ACCC), which was formed in 1972.

The ACCC represents over 100 of the 165 public community colleges in Canada. An early initiative of ACCC was the establishment of an international bureau to help its member institutions develop various international exchanges. Since 1979, with assistance from CIDA, the United Nations, and various international clients, the bureau has organized technical assistance projects to colleges in developing countries. The bureau has had considerable success in becoming the channel for those agencies and institutes that wish to gain access to the resources of the Canadian technical colleges. ACCC's international work has grown to such an extent that they are now engaged in multimillion dollar overseas education projects (mostly from CIDA) and students from the Third World are found in most community colleges in Canada. ACCC has been active in developing and encouraging links between colleges and private companies. Their 1986 conference was aimed at stimulating partnerships among industry, labour, government agencies, and the colleges. The conference workshops on college and private copartnerships in overseas development attracted a large audience, reflecting both the interest and acceptability of this idea among the colleges.

The individual colleges have, like many universities, been struggling to learn how to participate internationally. It is one thing to rely mainly on the ACCC international office; it is another matter to develop one's own administrative capabilities and to market internationally one's own expertise. Indeed, questions are being raised about the desirability of having a large number of colleges spending scarce dollars competing with each other for the same international projects. At what point does competition stop being a force for improving quality and efficiency and, instead, become a weakening force?

Community colleges have had less difficulty than universities in deciding whether or not their role as institutions will be compromised by such international activities. Because community colleges are not research institutions and have a

mandate to respond to the needs of the community, they do not have the same theoretical problems with becoming involved as some universities do. Also, because colleges have always had to be more entrepreneurial in raising a considerable amount of their revenue in the open market, they are more in tune with many of the demands raised by the new international HRD opportunities. For example, the director of contract-development services for Vancouver Community College works out of an office in Canada Place in downtown Vancouver, thereby having wide exposure to Canadian and international public- and private-sector clients.

The colleges represent a tremendous capacity for international work, the full extent of which is only slowly being understood by both Canadian and developing-country officials. The state of development of some new rural-based universities in the Third World suggests that Canadian community colleges might be a more appropriate resource for HRD activities than most Canadian universities. For example, ACCC has been engaged in a major training and facilities design project with ESPOL, a polytechnical university in Ecuador. Using six community colleges, the project has been able to assist the school with some practical curriculum concepts and has suggested how the private sector in Ecuador could assist in training. The project has also tapped governmental financial sources that normally only support international initiatives for Canadian private sector firms.

Necessary strategic changes in postsecondary institutions

If the institutions understand some of the new HRD opportunities and decide they want to participate, then they need to consider what strategies are necessary to participate successfully. As the financial constraints increase and the allocation of human resources becomes more crucial, postsecondary institutions are becoming more sensitive to how donor agencies (or other private firms with international contracts) draw upon university resources. Many colleges and universities express resentment at being treated by the aid agencies as "service centres" where the agencies come for fuel as they need it. Postsecondary institutions are pushing for a partnership relationship that takes into account how they allocate their own resources. They would like the donors to deal with the institutions, rather than individual faculty members, in developing new programs. Most institutions, however, are not well enough organized to deal with agencies on an institutional level.

Although they are asking donor agencies for full cost recovery, many institutions in the past have been ill-prepared to document actual overhead costs. The misconceptions in CIDA about university overheads are slowly being clarified through a series of focused discussions. The latest contribution to the debate has been an AUCC-sponsored study on overhead policies of federal government agencies (Hanson Group 1987)

While universities talk about the need to be treated in a more businesslike manner, they have resisted the idea that they have a product they must sell in a competitive market. Many community colleges have risen enthusiastically to this challenge; some universities, however, have indicated that they will not get involved in tendering proposals and bidding on projects.

Yet, if postsecondary institutions (in addition to going after CIDA's ICDS

money) are going to enter into competition with other private-sector companies for contracts from CIDA's bilateral desk, as well as from other federal and provincial agencies, the World Bank, and developing-country governments, then the likelihood of being treated as a consultant working for a client will increase rather than decrease. More frequently, these institutions will be expected to tender proposals. The colleges, with support from the ACCC, are becoming quite expert at this process. In general, the universities still have a great deal to learn, although the IDO has been moving to alert them to the need for this expertise and is offering some assistance in developing the skills.

It is clear that the universities and colleges who have made a strategic decision to take on more international development work face serious challenges, both from the changing demands of funding agencies and the competition of alternative executing agencies. It will be interesting to observe their responses as they recognize these challenges. To what extent will postsecondary institutions restructure themselves for international work? Will they organize themselves to market their own products or will they try to work more closely with other agencies who have obtained a contract and need an institution to deliver some or all of the product?

To respond to the new international opportunities, most postsecondary institutions must organize themselves better to let other agencies know what they have to offer and at what price. They need to respond quickly to requests for proposals and to competitive opportunities for joint ventures. If they are going to participate in the new, broad-based HRD projects, they will have to organize themselves to manage the wide variety of inputs and to find ways of strengthening their capacity to manage projects in Third World countries.

All of this will almost certainly mean allocating some development money for the preparation of tenders. Although most institutions will want to leave all interested faculty the freedom to develop their own projects, they may have to decide what the institutions' major strengths are internationally and which departments are most interested, most experienced and, therefore, most likely to win some of the tenders. If the institutions were to develop such priorities, they would be in a position to allocate rationally any available funds for responding to tender bids.

In other words, postsecondary institutions will have to consider developing a serious plan for their Third World involvement. They need to set medium- and long-term goals, set priorities, and allocate some of their resources accordingly. The stakes are now high enough and the competition stiff enough to warrant this type of effort.

Reorganization models for international work

The crystallization of attitudinal changes and the creation of a coherent plan for Third World involvement within postsecondary institutions will require simultaneous structural changes. The following outline indicates the range of options available to postsecondary institutions.

International Liaison Officers

At a minimal organizational level, many institutions have (often on a part-time basis) an international liaison officer. Initially, the main responsibility of these officials was to handle the administration and support for CIDA-sponsored students on campus (CIDA pays a per-capita fee for this service). In some cases, universities have expanded the role so that the officer deals with all foreign student issues and is an advocate on campus for international issues. Such officers now exist in 68 of the 85 universities in Canada (47 English speaking and 21 French speaking). Many community colleges have a person with similar responsibilities, although the responsibilities are not always formalized and the title is often international coordinator.

President's or vice-president's office

The University of Alberta has used a strong coordinating office at the vice-president level. Among other activities, this office develops mechanisms for strengthening the University's capacity for international programs and creates a data base relevant to the University's international activities. The approach of Simon Fraser University to international issues has been serious but has not concentrated on building an official structure. Instead, the president's assistant, backed by strong presidential support, has focused on developing university priorities. International activities are informally linked to the new industry liaison office to help develop an understanding of the private sector. In some community colleges, the president has taken on the role of coordinator to underline the institution's serious interest in international affairs.

International centres within institutions

Some institutions have developed distinct international centres as coordinating structures for their international activities. The following examples indicate the variety of forms these centres are taking.

Dalhousie University has established the Lester Pearson Institute as a coordinating mechanism for international activities. The Institute assists other teaching institutes and departments in finding support for their efforts and serves as an active catalyst on campus and in the community for extending the University's role in Third World development.

The University of Guelph has perhaps the oldest (1968) and best established centre. As a catalyst, it not only encourages and assists other departments to become engaged internationally but also has been successful in getting the entire university community to establish priorities and commitments in the international development field. A separate, nonprofit consulting arm, Guelph International Consultants, was also formed to market much of Guelph's HRD capacity and to organize joint ventures with the private sector. This is a significant new development that should be watched closely by other institutions.

Ryerson Polytechnical Institute has a well-organized international centre that reflects the institution's commitment. Of particular interest is their clear priority of developing projects in concert with the private sector.

Carleton University has placed its international liaison officer in a position that links the international aspects of the graduate studies office and the research office with an international teaching centre (Norman Patterson School of International Development). Because of these links, the University can respond quickly to outside requests and speak with one voice as to what priorities the University is prepared to pursue.

International centres built around one school

McMaster University Medical School has built an active international committee that has pursued a unique method of developing their international strength and focus. They concentrate on building international networks with institutions in developed and developing countries around specific issues (e.g., epidemiology, community-based medical education). They are also actively exploring the establishment of a separate, nonprofit structure to facilitate their activities with government agencies and the private sector.

The University of Western Ontario Business School has, for 13 years, had an active Centre for International Business Studies whose activities are supported by the University and by the Department of External Affairs. The Centre stimulates and organizes student and faculty exchanges, research, and specific development projects overseas, only some of which are carried out in developing countries. An interesting recent development has been the preparation of a detailed 3-year plan for internationalizing the school.

International efforts of smaller schools

The Technical University of Nova Scotia has a small international centre. This centre administers and coordinates projects not only at the University but also at two other small, nearby institutions that have some complimentary resources.

Trent University could serve as an exciting model for the international involvement of smaller institutions. With a clear commitment to international education and an entrepreneurial expertise, Trent has had an international program for many years that attracts substantial numbers of international students and offers short overseas placements for some Canadian students in the program. Money raised through the private sector is often used for these purposes.

International centres built around a geographic focus

Dalhousie University and the University of Montreal each have a Centre for African Studies, the University of British Columbia has a Centre for Southeast Asian Studies, and York University and the University of Toronto have a combined Centre for Asian Studies. The University of Calgary's new international centre appears to be directing the university toward a geographic concentration on the foothills of the Himalayas. As more institutions strengthen their commitment to international activities, such creative organizational changes will increase. It is important for postsecondary institutions to learn from the models emerging in different Canadian institutions and to structure their programs to meet their own goals and strategies.

Private-sector organizations

For-profit companies

Many reasons why the Canadian private, for-profit sector has been increasing their involvement in HRD activities related to developing countries have already been mentioned.

- Changing requests from developing countries require considerable on-the-job training with information and skill inputs, which only private, profit-making companies have the capacity to offer (Brennan 1987).
- Links with the HRD activities of Canadian nonprofit organizations are good entry points for Canadian firms to sell their goods and services abroad.
- New tendering requirements by the World Bank and regional banks on large infrastructure projects require Canadian consulting engineering firms to include with their tender a detailed training design, passing on their skills to their local counterparts.
- New commitments by aid agencies to HRD and recent decisions by CIDA to contract out the delivery of their projects to CEAs has resulted in a growing market of HRD work for Canadian firms.
- The Canadian government decision to award more of their HRD contracts to private, for-profit firms increases their opportunities for international aid contracts.
- The growing interest of many foreign countries (developing and industrialized) in purchasing access to North American technology and training also means the overall HRD market potential is growing.
- The establishment of a number of private consulting firms by Canadians who have been working in international development activities for many years increases the number of profit-making organizations that are partially or wholly committed to Third World HRD development.

This is not to suggest that the Canadian industrial and commercial sector has never been involved in Third World HRD work in the past. For example, Dominion Textiles has been involved since the mid-1970s in a government-owned textile plant in Tunisia, training senior managers, supervisors, and inspectors. This exercise provided a small amount of consulting income for the firm but, more importantly, helped it to decide to buy equity in the Tunisian firm.

Similarly, Delcanda, which has been involved in engineering projects in the developing world since the early 1960s, has always included in their projects an effort to train local engineers. Through identifying good Third World engineers and training them to run local firms in partnership with the Canadian firm, Delcanda helped maintain local contacts. This eventually increased their chances of participating in projects that required a locally owned company as the major contractor. Their work is a model of how a private company may pursue activities which are in their best interest but also represent good development for the Third World counterpart.

As with many other companies who carried out some training as part of their international projects, the training described above was often informal and not seen as the main activity of the company. With an increased demand for structured, on-the-job training as a requirement in many international projects, many firms have recognized HRD as either a crucial support for their main activities or, in some cases, as an entire new product line.

Many Canadians have been surprised to learn that major U.S. manufacturing corporations have moved vigorously into international HRD work, which they see as a growth industry. The giant RCA Corporation, for example, has become the strongest competitor for many Canadian groups bidding on World Bank training projects and a group of American electrical appliance firms recently established a training group that pursues international and domestic contracts.

Large Canadian commercial firms are beginning to view international HRD as an important product line.

- Dominion Textiles has established a separate consulting arm to sell their consulting and training services throughout the world.
- Delcanda has recently set up a new company, Resource System Management International, that offers soft science components in a multidisciplinary approach. Delcanda regards this activity as critical in obtaining international contracts, particularly from the development banks and aid agencies.
- Lavalin, one of Canada's foremost consulting engineering firms, has established a subsidiary company, Econosult, to deal with the training components of their international projects.
- Bell Canada International, a subsidiary of Bell Canada enterprises, sells Bell's knowledge and expertise abroad. In 1984, Bell Canada International worked on 58 projects in 34 countries and earned close to CAD 350 million; training of company personnel is a substantial part of this effort.
- A group of Canadian, high-technology communication firms (public and private) recently established the Telecommunications Executive Management Institute to pursue training contracts in developing countries.

In responding to the training needs related to selling their product internationally, private-sector firms should draw on the resources available through educational institutions and NGOs. (Indeed, Lavalin and Guelph International Consultants have joined forces for joint marketing efforts in Africa.) Large firms are also able to draw on a number of relatively new, smaller, private companies, who have made international HRD work a priority. In many cases, these smaller firms were established to bring a private-sector orientation to the development process by people who worked as technical assistance consultants on aid projects. Although the number of smaller has been increasing, a recent report to the Department of Regional and Industrial Initiatives suggests that the number still remains frustratingly small. Included in this category are such firms as ARA Consultants, Salasan Associates, Kanchar International, Universalia, Canedcom, and Centre d'études de gestion, d'informatique et de recherches (CEGIR, management studies, computer science, and research centre).

A new category of private HRD firms with international interests is being created by CIDA's desire to attract more firms and, thus, to spread the aid money

allocation among more participants and to firms from all regions of Canada. In principle, one would not argue against a policy that encourages the development of more Canadian capacity. CIDA should realize, however, that this policy raises major concerns, at least in the short term. For example, instead of being encouraged into the international field slowly, through government shared-costs programs or joint ventures with more experienced firms, some substantial contracts are being given to firms with little or no international expertise.

It is highly discouraging for a company that has built up expertise in a certain type of training or a certain country to discover that the next big CIDA contract in their field has gone to a company with no recognizable experience in that area. Likewise, recipient Third World agencies are frustrated to find that, instead of immediately benefiting from the aid package, they must conduct a remedial orientation program, familiarizing the Canadians with the work they are to carry out.

This disregard for quality and fairness in evaluating international HRD tenders has, in the minds of many development experts in Canada, been approaching a crisis point. As a result of these actions, good firms are discouraged from developing serious capacity for international HRD work and our international clients begin to question the value of our products.

These disturbing events come at a time when we should be doing everything we can to strengthen the capacity of Canadian groups to offer quality HRD projects. We are caught in a vicious circle. Unless Canada can obtain more large international contracts, it will not be economically viable to strengthen Canadian HRD capacity. Indeed, it may be impossible to maintain some of the existing capacity. Unless the capacity is strengthened, however, it is unlikely that Canada will win many of the large international tenders.

In breaking this circle, some of the internationally experienced profit-making firms in Canada have a major role to play. The recognition of this role comes slowly to many people in the public and private development agencies, who still view the movement of private companies into international HRD as a "disturbing" intrusion. Their concern is understandable as the literature on exploitative efforts by private companies in developing countries is vast. However, there are also many outstanding examples of companies that take the time to understand the culture and development plans of a country because it makes good business sense. Viewing their developing country counterparts as clients, these companies have studied the market, designed a product to fit the client's needs, been careful to meet delivery schedules, and have been concerned with after-sales service. All of these efforts are good development principles. Increasingly, there are firms that are working hard to understand these principles and shaping their behaviour accordingly.

This process has been assisted by a variety of activities.

- The Industrial Cooperation Branch of CIDA has successfully encouraged businesses to participate in development as a commercial venture while keeping true to the development wishes of the foreign buyer or partner.
- The Canadian Executive Services Overseas (CESO; the NGO of the business community) has provided leadership in linking business expertise with the development of new HRD capacity.

- Many business councils and forums directed to increasing commercial activities with developing countries have been formed (e.g., Canada–Egypt, Canada–Indonesia, Canada–Kenya).
- The Asia Pacific Foundation has brought together the Canadian public sector in addressing opportunities in the Pacific Rim.

Nonprofit organizations

Definitions

Referring to organizations as "private, for-profit" and "private, nonprofit" may be more distinguishing than the terms "private company" and "NGO." In the field of international development, the term "NGO" may be outliving its usefulness. When business people first encounter the term, they are either confused or assume it refers to them, for they certainly see themselves as nongovernmental organizations. In addition, the distinction between the large NGOs and many private companies involved in development is becoming blurred. Indeed, there are a handful of NGOs who now have larger staffs, larger budgets, and sometimes generate a larger surplus than a number of private firms interested in international HRD. For example, in 1976, the World University Service of Canada (WUSC) was a small group with a budget of just over CAD 200 000. In 1986, this same agency had a staff of 90 in Canada and 45 overseas, and a budget of over CAD 25 million. Another example is the growth of the international bureau of the ACCC. Formed as recently as 1979, In 1985-86, the bureau had a staff of 28, an operating budget of CAD 1.6 million, and over CAD 10 million in project activities.

There has been some effort to refer to NGOs as "private development agencies" (PDAs). This term is appropriate, although it is too early to know if it will catch on.

The question obviously is not whether the private, nonprofit groups or PDAs are involved in international HRD work, for many of these agencies have been the leading proponents and fund-raisers for Third World development since the early 1960s. The following questions are more pertinent.

- How many of these agencies are actually able to develop and manage the delivery of large HRD projects either in Canada or overseas?
- To what extent are these agencies responding to some of the different requests for training assistance from Third World NGOs?
- To what extent are private, nonprofit agencies developing new strategies that will allow them to tap new resources of both finance and trained human resources in the public and private sector?

Ability of NGOs to serve as executing agencies

As a result of the increase in HRD activity and a need within CIDA to contract out the implementation of HRD programs, there is a need for more Canadian NGOs to be executing agencies. Unfortunately, only a handful of NGOs have developed such a capacity. Even these organizations are concerned about improving the professional capabilities of their staff in project management and development as the HRD projects become more complex.

Many Canadian agencies are good at fund-raising and public education. They are often weak, however, at managing projects. Indeed, some agencies with large budgets ship most of their funds out of Canada to parent organizations, mainly in the Unites States. Few Canadian NGOs have extensive field staff and many are short of staff with extensive program design or program management skills.

There are 115 NGO members of the Canadian Council for International Cooperation attempting to convince donors (and beneficiaries) that they are providing unique, effective development support or disaster relief. In reality, many of these NGOs are indistinguishable and most maintain contact with their overseas programs by infrequent visits or through larger US or European affiliate or parent organizations. They consume considerable financial and human resources in maintaining their bureaucracies and are increasingly sustained not so much by the efforts of committed Canadians but, in large measure, by CIDA grants, sophisticated and costly direct-mail campaigns, and sheer determination. As with the private companies, the number of NGOs being attracted into international work by CIDA is increasing. Although the addition of new specialized capacity is applauded, these domestic groups need help to develop the skills to work in developing countries.

It is estimated that during the recent African disaster, only 2% of the CAD 56 million dispensed through Africa Emergency Aid was actually spent by Canadian agencies using their own field staff. This situation is not necessarily bad; however, it is an indication of the weak Canadian representation overseas, which too often shows up in the Canadian approach to longer term development programing. Canadian embassies and high commissions usually have only one or two CIDA officials to plan and monitor complex multimillion dollar projects. CUSO (Canadian University Services Overseas) has approximately 25 overseas offices, but there are probably not another 25 full-time, permanent representatives of Canadian NGOs and educational institutions throughout the entire Third World.

Those directors of agencies who see the need to rethink their strategies and structure are sometimes challenged by boards of directors who are unaware of the need for these changes. There are some directors, however, who have a growing awareness of the need for development activities for their own organization. Nonprofit agencies might improve their ability to respond to HRD requests if they were to incorporate more of the procedures required to keep a business operating. Some have done this admirably and have hired people with financial, administrative, and management skills. Recently, some agencies have benefited from CIDA officials on loan through the executive interchange program. Some organizations, however, have been growing with little concern for developing their costing, budgeting, salary scales, and general financial management. Others operate a tight administrative operation in Canada for project fund-raising and public education but have little capacity for project design, field project management, and the strengthening of overseas NGOs. There is an increasing recognition of the need for organized training efforts to build this capacity, both for nonprofit agencies that have been in the development business for some time and for agencies that are being attracted to international work by the new opportunities.

Responsiveness to new requests

Voluntary groups have prided themselves on their concern for basic development problems and on attaching their projects to community-based

operations in developing countries. They have good reason to be proud. These organizations have been most successful at mobilizing private funds for development and many have carried out extensive programs both to educate the Canadian public on the situation in developing countries and to lobby politicians for appropriate policies.

Frequently, voluntary groups now must deal with a different nonprofit community overseas and the needs of that community are changing. An effort by Canadian NGOs to initiate relations between some top-flight Indonesian volunteer agencies and their Canadian counterparts found the Indonesians asking for assistance in a number of new areas (project management, costing of projects, financial management, development of small industries, etc.) in which the Canadian groups had little expertise. To respond, NGOs must either develop their expertise or discover where these resources are available in Canada. This search is driving them toward some interaction with the private, profit-making sector, postsecondary institutions, and crown corporations.

Many Third World NGOs are not looking as much for Canadian input into their projects as they are for assistance in staff development. The complaint has been raised that North American NGOs insist on having their own projects, which can be used for their own public relations and fund-raising programs. Some Third World NGOs are concerned not only because foreign NGOs are not satisfied with developing the local NGOs but also because some of their activities are seen as competing with the Third World NGOs.

At a recent conference in the United Kingdom on *Development Alternatives: the Challenge for NGOs*, the possibility that northern NGOs were becoming part of the problem was suggested by a number of articulate, experienced participants from the developing countries. They spoke of northern NGOs as too often being manipulative, secretive, obscure in their policies, slow in their decision-making, and heavily project orientated in the face of growing needs for broader program support. Despite the jargon of partnership, their concern was that the north–south relationship is heavily affected by a financial dependency and little meaningful south to north feedback.

When Third World NGOs ask for institutional support, they are often asking for support to get the NGO concept legitimized in their country. Canadian NGOs have to decide the extent to which they are prepared to become engaged in this broad view of institutional support. They then must form an articulate strategy and develop the resources to work toward such a goal.

Canadian NGOs claim that their inability to focus on strengthening Third World NGOs is partly linked to their lack of capacity in staff development and management strengthening and partly the result of the funding policies of aid agencies that do not reward this type of activity to the same extent as they do the delivery of projects.

Many Canadian NGOs now need to concentrate on large scale delivery projects to support their large operations, which have grown in response to CIDA's need for executing agencies. Surely, some balancing of the needs of aid agencies and the Third World NGOs must be possible. CIDA obviously requires more substantial private, nonprofit groups that are dedicated to international development, professionally run, and can serve as executing agencies. However,

the need is to find mechanisms that allow Canadian NGOs to carry out large implementation projects and still help to nurture and strengthen Third World NGOs.

Strategies for mobilizing new resources

In the 1960s, most universities and private companies would not have considered that Canadian nonprofit development groups would have much to offer them in developing projects or programs related to the Third World. NGOs, as they were referred to, were seen as enthusiastic amateurs prepared to work in difficult situations involving strong commitment and as having a sensitive appreciation of foreign cultures but low-level skills. This stereotype had some validity, although even in the 1960s the volunteer agencies were attracting a smattering of highly trained people (e.g., doctors, engineers, architects) and were blazing new ground in developing preparatory courses for overseas work, which governments and training institutions were to emulate in later years.

The volunteer agencies also produced a substantial number of young Canadians with Third World experience. These volunteers have not only joined many of the government and nongovernmental development agencies but also provided a resource base for educational institutions, private companies, and government agencies of people with knowledge, experience, and commitment to development issues in the Third World (see Smillie 1985).

By the 1980s, the size and sophistication of many Canadian NGOs meant they could assist educational institutions and private companies in their activities in the developing world. This type of interaction was slow to develop; not only were the private companies and postsecondary institutions slow to recognize the resources in the NGOs but also most NGOs were leery of working cooperatively with private companies for fear of being "corrupted" by the interaction. However, some NGOs began to initiate these joint efforts as a way of developing a greater capacity to respond to new opportunities.

Nonprofit groups (e.g., Canadian Organization for Development through Education [CODE], Foundation for International Training [FIT], International Cooperation Study Centre [ICSC], ACCC, and WUSC) began to function in an entrepreneurial fashion. They were not content to wait until CIDA or foreign governments asked for their participation. In a proactive manner, they formed project-development units whose staff spent considerable time in developing countries discovering what the different government agencies wanted. They worked jointly with Third World people to design projects and then came back to Canada, both to lobby for the project within CIDA and to search Canadian society for the best resources to service the project.

These few NGOs have become skilled in bringing together potential foreign clients and the human resources in Canada. They have also become pragmatic in responding to a wide range of requests that often require a tailor-made response. Rather than preparing a specific HRD product and concentrating on selling that product, they have developed skills in Third World market analysis and in using their Canadian contacts and organizational skills to coordinate Canadian responses to these needs. More and more, these needs require a response that forces NGOs to seek cooperation with other agencies.

In adopting a more entrepreneurial approach, these NGOs organized themselves to do market research, carry out product development, and provide

after-sales service. For this approach to be possible, NGOs required project-development funds; these funds would have to be generated from specific projects by ensuring that the cost of delivering the project was less than the revenue generated. Creating surpluses required an ability to organize business plans, cost products accurately, handle cash flows efficiently, and develop management systems to oversee the various inputs. One would have expected government agencies to be pleased with this businesslike approach of some growing NGOs. However, this was not universally true. Initially, the claim was that NGOs could not make a profit and, thus, projects should be budgeted according to real costs without a profit margin. This battle has slowly been won, although skirmishes are still being fought.

Indeed, new battles are on the horizon for those NGOs that are growing and competing with private companies on international projects. For years, CUSO has been the largest Canadian NGO, receiving an annual grant from the government of approximately CAD 20 million. However, because CUSO's activities have not brought them into competition with the private sector, this has not been seen as a problem. WUSC, CBIE (Canadian Bureau for International Education), ICSC, and professional associations such as ACCC, however, are fast-growing NGOs with an entrepreneurial spirit backed up with the technical competence to deliver. These groups find themselves bidding on projects that private consulting firms feel are their domain. Some of these companies complain that the NGOs have an unfair advantage because of their core grants from CIDA, and some CIDA officials have shown annoyance with the proactive stance of these few NGOs. Others realize that joint ventures with these groups can lead to a stronger Canadian response.

As far as NGOs taking on a proactive stance in developing projects overseas is concerned, "the genie is out of the bottle" and CIDA cannot hope to push the genie back in and insert the cork. It may be appropriate to develop new and perhaps different policies for the large NGOs, as opposed to the small organizations. Any new policies by CIDA for dealing with the larger entrepreneurial Canadian NGOs, who have field-based staff and a proven ability to deliver projects overseas, should be aimed at rewarding success, not limiting it.

Public-sector departments and crown corporations

In the search for appropriate capacity for international HRD needs, federal and provincial government departments, along with crown corporations, should be considered as new and useful sources. The Brazil program at CIDA offers excellent examples of the issues involved in using Canadian government departments for HRD capacity. The program has 22 projects involving government departments in Canada. Some of these projects are joint efforts among government departments, universities, and private companies. The program operates under an official Canada–Brazil agreement that was initiated in 1981 but only became operational in 1985. In the process, much has been learned about how best to tap into the capacity existing in government departments and how to lessen the start-up time for future programs of a similar nature.

Cooperation from government departments, both at the managerial and technical levels, has been mixed. In some cases, significant efforts had to be made to help civil servants understand the background, perspective, and working

environment of the Brazilians they were going to train. In general, some departments had considerable experience with the Third World and were eager for further involvement. Agriculture Canada, for example, has an international mandate as well as the structure in place to act on that mandate. It has an international secretariat paid almost entirely by CIDA. This arrangement provides CIDA with a low-cost, efficient, executing agency. In other government departments, there is a real reluctance to become involved in CIDA-funded projects for fear of being seen as competing with the private sector.

What might government departments do better than the private sector and where might they be weaker? Government departments may have a comparative advantage where there is a policy component to the project, where there is an overseas government department or government research institute to be strengthened, where good scientists are needed at short notice for short interventions, or where government departments have specific, unique training facilities in Canada. As an executing agency, however, they may be weak in finding personnel from other sectors because of limited contacts.

The interest of personnel within departments in becoming involved in international projects depends on the outlook of the department. For example, it appears that young scientists in Agriculture Canada are keen to do international work to be stimulated, have something against which they could compare their Canadian achievements, and expand their contacts. To ensure the involvement of civil servants, managers should include overseas activities in their departmental achievement assessments.

In some government departments, access to this useful capacity would be aided if it were a policy that all departments allocate a certain percentage of their training budget to international projects. Some crown corporations have established separate profit centres organized specifically for international efforts. For example, the crown oil company, Petro-Canada, has spun off Petro-Canada International, with a mandate to help developing countries find and develop oil and gas resources using Canadian goods, services, and expertise wherever possible. As the oil industry has slumped in North America, this nonprofit subsidiary of Petro-Canada is attracting increasing interest within the parent organization as a source of both interesting job opportunities and revenue.

Similarly, Ontario Hydro established a New Products Division to market new products internationally as part of its effort to become a broad-based energy company. Income from this division in 1986 was well over CAD 40 million. Only a small part of this was gained through training contracts, but their sense is that this area has high potential.

Both federal and provincial governments are recognizing the need to be involved in the marketing of the province's resources and skills abroad. The Trade Development Branch of External Affairs now views Canadian HRD expertise as an exportable item and has made such firms eligible for most of their export development supports. The Department of Regional and Industrial Expansion (DRIE), which only a few years ago saw international training as solely a prerogative of CIDA, is now actively involved in shaping policies to support the export of educational services as a job creation program for Canada.

In 1986, the Ontario Ministry of Universities and Colleges established a staff position of international project officer to explore the role of the ministry in

nurturing international contacts. The British Columbia Ministry of Education also has been actively involved in marketing the education services of provincial institutions.

Quebec, Ontario, and Alberta have established the mechanisms to market HRD capacity within their trade ministries. In Ontario, the Ontario International Corporation (OIC), a separate crown corporation, promotes the export of Ontario's private and public sector services abroad. Although OIC activities are not focused specifically within government departments, the existence of the Corporation reflects an increasing awareness of the potential for the international use of public-sector HRD resources, especially within the following areas: education, transportation and communications, municipal affairs and housing, revenue, citizenship and culture, tourism and recreation, and northern affairs. An interesting example of a provincial government tieing in HRD work with their external trade initiative is seen in the new Ontario–Jiangsu Science and Technology Centre in China. The two governments have developed this nongovernmental body to promote exchange and cooperation between science and technology enterprises and institutions in Ontario and Jiangsu, China.

Expertise in policy analysis in the resource industries may be of particular interest to developing countries. The Ontario Ministry of Energy is providing policy development expertise in a project involving a Canadian consortia and the Kenyan government. In this CIDA-funded project, a Canadian team consisting of Ontario Hydro, the Ontario Ministry of Energy, and York University is assisting the Kenyan Ministry for Energy and Regional Development in the development, implementation, and modification of Kenya's national energy policy; the development of an effective energy conservation program; and the development of renewable and nonrenewable energy resources for achieving self-sufficiency.

The development of any public-sector consortium is important for both efficient administration and the effective utilization of the best expertise from the appropriate partner. In the case of the Kenyan energy project, there is an eight-member board overseeing the project. The manager of project administration and secretary of the board is from Ontario Hydro and the chairman of the board is Ontario's Assistant Deputy Minister of Energy.

Private-sector companies sometimes complain about the unfair competition they face from government agencies on international projects. Ontario Hydro has handled this complaint by giving its new business division the mandate to take Ontario companies along with Ontario Hydro on their international ventures either to help them make key contacts and develop credibility faster to become subcontractors to Ontario Hydro on tenders they win, or to enter into joint venture bids with Ontario Hydro.

The benefits of the good HRD capacity of government departments to private-sector companies, who might either get spin off opportunities or actually develop a joint venture with them, need to be explored further. In one of the Brazil projects, CIDA took a private company in the food business with Agriculture Canada personnel on one of their project trips. The company gave some assistance and got invaluable contacts, which led to a separate project between the Brazilians and the Canadian company. Another useful example from the Brazil project involves the Mathematics Department of the University of Waterloo, Revenue Canada, and Clarkson Gordon. Each partner had something unique to offer the

project, including two Portuguese-speaking experts within the private-sector company.

In the Brazil program, Canadian government departments may have been used successfully because Brazil is a relatively developed country (Category 2 country in CIDA's priorities), with more industrialization and complex government administrations than many countries. Poorer countries with less developed structures, however, must rely even more on the public sector to stimulate development. It will be important for CIDA, IDRC, and the PDAs to continue to seek expertise in the public sector (federal, provincial, municipal, and crown corporations) to help other countries.

The involvement of more government departments in seeking international HRD projects again raises the question of coordination. For example, in Ontario, a number of ministries (Colleges, Universities, Trade, Housing, Agriculture, Energy) are beginning to market HRD services. They may find themselves unwittingly competing with each other on some tenders. They certainly are finding that, without some coordinated marketing strategy, they confuse their clients and are weakening their chances of success.

Canadian professional associations

Professional associations can be effective vehicles for designing and managing projects because their membership may come from all sectors, i.e., private, government, and university. Their knowledge of different training options in Canada and the expertise available to develop specially made programs may give them an edge in designing appropriate training packages for Third World needs. A problem for some associations will be the lack of overseas experience of their administrators. It would be wise for associations that are beginning to take on international assignments to do them in concert with an experienced Canadian NGO or postsecondary institution.

One association that has had considerable international experience is the Canadian Teachers' Federation; it has been running specialized summer training programs in Third World countries since 1961. This program has been an excellent vehicle for giving many Canadian teachers their first professional exposure to work in developing countries and, at the same time, providing valuable in-service education for developing-country educators.

A more recent move by a group of professional educators into the international field was the establishment of the Educational Services Exchange by the Ontario Association of Education Administration Officials. This new group offers development agencies access to a wide range of educational leadership, from directors of education and supervisors, to administrators with experience in physical maintenance and financial management of education systems.

The Canadian Nurses Association (CNA) has been involved in international nursing and primary health care for some time. With the help of CIDA funding, the CNA has responded to numerous requests for assistance from Africa, South America, and Europe, establishing an extensive pool of expertise.

An example of good training design for development by a professional

association is found in the exchange program proposal developed jointly by the Canadian Society for International Health and the Canadian Public Health Association. The proposal's overview of the Canadian situation suggested that "an experienced manpower pool needed to be established and expanded in Canada to address more comprehensively Canada's obligations to development in the health field in the Third World." The exposure of Canadian medical undergraduate students to health problems and health services in less-developed countries was identified as an important phase in increasing Canadian human resources in this field. Another area identified was an exchange providing succinct, focused educational experiences for postgraduate physicians at the residency level. Led initially by committed volunteers, the Society now has an active secretariat that has initiated these activities.

Another example of a training program that was developed through the work of a professional association is the hydrographic training for Malaysians developed by the Canadian Institute of Surveying. With its broad knowledge of the field in Canada, it was able to work with the officers of the Institution of Surveyors in Malaysia, the Directorate of National Mapping, and the Hydrographic Department of the Royal Malaysian Navy to design a program that involved a variety of training modes, drawing from expertise in the Canadian private sector, government departments, and universities.

The September 1986 issue of the development newsletter of the Canadian Home Economics Association (CHEA) outlines their group's international work (CHEA 1986). It lists 14 twinning projects overseas, discusses plans for World Home Economics Day (20 March 1987), reports on a number of international development workshops, and discusses CHEA plans for a project with the Home Economics Association of Africa on "Food Security and Human Survival in Africa."

The Canadian Association of Adult Education has, for years, been instrumental in convincing many organizations and individuals to commit their energy and experience to work in developing countries. The Association played a key role in the establishment of the International Council on Adult Education and they continue their creative linkage efforts through such recent projects as the CAD 1.05 million, CIDA-sponsored China/Canada adult education program coordinated by a senior faculty member of the University of British Columbia.

The professional associations are also a source of short courses that might be of use to brokers packaging a mixed offering of formal and on-the-job training for overseas trainees in Canada. The range of offerings are wide; however, only a small number of the offerings might be of interest to people from other countries. This is yet another source of capacity that has scarcely been tapped. A partial listing of such courses can be found in a survey by AUCC. Programs that might be of interest include the following:

- Municipal Administration (Association of Municipal Clerks and Treasurers of Ontario);
- Fellow's Program (Canadian Credit Union Institute); and
- Organization Design and Administration of Cooperatives (Cooperative College of Canada).

The potential in the professional associations for appropriate capacity for

international HRD work is high and the interest of these associations in international work needs to be encouraged by both private and public aid agencies.

The case for joint ventures

The changing environment

The following points summarize some of the forces that suggest why a cooperative or joint-venture approach (either among educational institutions or between the public and private sectors) will prove particularly useful in increasing Canadian capacity to respond appropriately to some types of Third World HRD requests:

- financial constraints on postsecondary educational institutions that reduce their flexibility to develop new programs aimed particularly at Third World participants;
- the need to get donors to make a long-term commitment (5–10 years) to HRD projects in particular countries (agencies will be reluctant to make a long-term commitment to a single institution for fear that the institution will run out of quality people to assign to a long-term project);
- new government policies to encourage partnerships among all those involved in international development including private sector companies;
- an interest in Third World countries and in Canada to link HRD programs with economic development programs; and
- requests for training that require skills and experience that are not likely to be found in a postsecondary institution.

Thus, the linkages between the private and public sectors in international HRD work will continue to grow. As more and more projects are designed to fit the wider concept of HRD, the actual portion of these projects dedicated to formal course work declines. The coordination, linking, scheduling, and overall management of program inputs drawn from many sources will be a paramount concern. These management skills are not normally the strengths of universities and, therefore, the hiring of project managers from the private sector or the establishment of joint activities with companies or private associations will have to be considered by postsecondary institutions taking on these complex delivery projects.

There are other mutual advantages to these partnerships. The private sector can bring entrepreneurial expertise to the competitive environment of marketing and winning contracts. They generally have more experience in analyzing risks, assessing benefits, and responding quickly to opportunities. The NGOs or PDAs bring a knowledge of the Third World, a commitment to development, an ability to mobilize human and financial resources, and a sensitivity to working in cross-cultural environments. Both the PDAs and the private companies provide the flexibility (which universities lack) of finding new people with different skills on short notice, as the needs of the project change. Educational institutions bring to the partnership the prestige of the institution, a range of individual experts, and an

institutional history of experience and achievement in education that could never be duplicated by private consultants. They provide the continuity that donors desire if they are going to make long-term commitments.

Educational institutions find it difficult to commit to a particular discipline related to a particular geographic area unless they are assured of substantial, long-term support from funding agencies outside of provincial ministry. For their part, donor agencies are reluctant to make long-term commitments unless they can be assured that the institution can deliver or draw upon all the varied types of expertise needed over the long period of the contract. In the United States, this has often led to the formation of consortia of universities to tackle a long-term, institution-building effort in a developing country.

The United States consortia approach is a continuous operation in which the consortium markets the skills of a number of institutions in a number of disciplines. It is clear that a separate administration and development office must be established. Sharing the costs of developing project proposals among two or more institutions assists them in overcoming some of their difficulties in finding these initial costs to win a contract.

Formal consortia among educational institutions have not been part of the pattern of the Canadian response, although, in some cases, a contracting university has gone outside the institution to recruit required personnel. There are more signs now of two or more institutions getting together to plan and implement a project; however, the consortium tends to be project orientated and dissolves when the project is completed. The consortium of western universities, led by Simon Fraser University, that handles the university development project in Indonesia is one example. The agricultural project in China involving Olds College, the University of Alberta, and the University of Guelph is another. Another consortium organized to bid for a project in Thailand consists of the University of Guelph (agriculture), McMaster University (medicine), the University of Windsor (law), and Olds College (agricultural technology).

Another interesting new type of consortium has developed in the Maritimes to seek the proposed Zimbabwe General Training Fund contract from CIDA. The Lester Pearson Institute has been working with the Council of Maritime Premiers in a regional consortium that would involve a three-province universities/colleges, private/parastatal joint venture. More of this type of linkage not only could improve the capacity of Canadians to respond to new international opportunities but also could play a key role in educating interested private-sector companies to the realities of Third World development projects.

Carleton University and the University of Ottawa recently committed themselves to operate IDRC's CAD 800 000/year Pearson Fellowship program. The contracting out of this outstanding program, which had formerly been administered by IDRC staff, has already shown beneficial results to all concerned.

More recently, the mechanism for providing continuity, commitment, and flexibility has been joint ventures among educational institutions, PDAs, and private companies. Indeed, CIDA in its tender calls, has been inviting such a mix of organizations to the table and making it clear that CIDA would be encouraged if they wished to submit their tender in partnership with someone else. Recent examples of this approach are the ARA Consultants/Salasan Associates bid for

CTAP (Canada Training Awards Project) in the Caribbean and the successful bid by CBIE and Cogesult for the large general training program in Indonesia.

Attitudes of public- and private-sector groups

Because the development of such cooperative efforts in Canada depends obviously on the willingness of the different parties to cooperate, it is useful to examine the state of the interest of various parties in such endeavours. Most provincial bodies, crown corporations, and other federal agencies are now eager to work cooperatively with postsecondary institutions and the private sector. Indeed, the *raison d'etre* of some provincial agencies (e.g., OIC) is to assist other groups to obtain international contracts. More than ever, government ministries and agencies are being directed to support the efforts of the Canadian private sector. In Alberta, however, a concern about public institutions competing with the private sector makes it difficult for the universities to undertake joint ventures with private companies. Some government departments, particularly the ministries of education, have difficulties in working cooperatively with universities, who jealously guard their independence and are often highly suspicious of any activities generated by the ministries.

The universities, by nature highly independent organizations, tend to be less eager to work with other universities, are often highly suspicious of international activities generated by the Ministry of Education, and are uneasy about working with the private sector. Many university personnel feel they have the main resources for HRD work and argue that the government will get more for less if they deal directly with them. Many institutions feel that aid agencies are pushing too hard to get the private sector involved for political reasons. On some projects, they are convinced that the government has bent over backwards to find a reason for giving a contract to a private firm, even to the point of inventing capacity in the private company and being prepared to pay an inflated cost for this questionable capacity. Academics are pressing the donors to ensure that projects involving the private sector still have a strong development thrust and are not just aimed at developing the Canadian private company.

Universities, for sound pedagogical reasons, want to be involved with overseas clients at all stages of the project, from problem analysis through design to implementation. They are wary of being brought in as a subcontractor to a private firm that has already designed the project, including the parameters under which the university will participate.

Value conflicts between the two cultures of the universities and the private for-profit sector historically has made collaboration between the two groups difficult. One recent study described the differences as follows: "The university is oriented toward the extension of knowledge, the transmission of culture and the analysis of society, not the development of new commercial products" (CHEF 1985:65). Faculty members are free to select their own research projects and to work according to their own timetable. Open publication of results is not only permitted, it is also the key to the reward system for the academics. On the contrary, the study reminds us that "the corporation has an obligation...for efficient, profitable and responsible delivery of a product process or service" (CHEF 1985:65). Research in private firms is oriented toward the commercialization of

new ideas under tight deadlines and the proprietary rights to these ideas are closely guarded.

In spite of these problems, the pressures for further collaboration in Canada have been building. The universities need more funds for research and better access to the research and development projects that are being carried out by industry. Thus, the universities and colleges, by necessity, are being drawn toward collaborative work with the private sector. In addition, the complexity of the technological challenge, the strong competition from both domestic and international sources, and the speed with which changes in technology are occurring have turned the attention of many private firms to the issues of training and research and caused them to take a much greater interest in the activities of the postsecondary institutions.

The University of Waterloo is an excellent example of university – corporate sector cooperation. Under the leadership of President Douglas Wright, the University of Waterloo has forged new mechanisms for cooperation with the private sector. Having established a major cooperative education program with private industry, the University has gone on to develop applied research centres with strong links to the private sector. These centres include the Institute for Computer Research, which has corporate partners, visiting industry professionals, and many private and public operations that are principal affiliates.

The debate about the appropriateness of the corporate – higher education linkage will continue. There remain many who are concerned about developments such as those at Waterloo and worry about the negative impact on the mission of a university if it starts to define itself mainly in terms of its usefulness to the economy. Nevertheless, tough economic times and changing education and training needs brought about by rapid changes in technology are pressing the corporations and universities to consider significant new collaborative efforts. These new collaborative efforts are being carried into the international HRD field.

Guelph International Development Consultants has bid on various international projects in concert with different Canadian companies. Ryerson Polytechnical Institute has numerous international ventures that are operated jointly with the private sector. The Cooperative Program in International Development Studies at Scarborough College (University of Toronto) uses the private sector (both profit and nonprofit) in giving their students practical field experience. This mix of formal training and practical field experience gives the students the necessary background for graduate studies in environmental geography, economics, and political science. It also prepares them for employment with Canadian or international governmental and nongovernmental development agencies. A most successful collaborative effort among various educational institutions and the private sector has been the summer energy institute for Third World trainers organized by the University of Calgary with cooperation from the Alberta Institute of Technology and members of the Alberta oil industry. Another innovative example of cooperation is the plan of McMaster University to work with the African Medical Research Foundation in Nairobi (an NGO) in the development and operation of training programs for middle-level (postbasic) health workers.

Although the educational institutions are often reluctant to acknowledge it, some private consultants have experienced program designers and trainers who are designing and delivering creative training packages. Private companies also

contribute flexibility and time to develop new program proposals, experience in submitting tenders (particularly to the international funding agencies) and a capacity for managing the project, which many educational institutions find hard to provide.

Not surprisingly, private companies are reluctant to cooperate with their competitors (other private firms), although, in many cases, the program would benefit from such cooperation. Recently, however, there has been a major development among manufacturing firms battling to save some market for themselves against tough world competitors. Former competitors in the same field (e.g., electronics, computers, automobiles) are forming generic alliances to compete better. Canadian firms in the field of HRD must seriously consider the formation of generic alliances with domestic competitors to ensure the strength to win large international projects and deliver a quality product successfully.

As previously mentioned, the community colleges — by their background, governing structure, and mandate — have much closer ties with the private sector than do the universities. They are eager to collaborate with other colleges or private companies in the design and management of an HRD package their association (ACCC) can market internationally.

With regard to the quality and scope of the product, community colleges note that there is an increasing demand for assistance to develop mechanisms of collaboration with the private sector similar to those currently employed in Canadian colleges. Examples include industrial advisory committees, cooperative work programs, instructor hiring criteria and in-service training programs, competency-based curriculum development, and business extension centres. The colleges should be applauded and encouraged to expand their efforts, where appropriate, to assist Third World educational institutions to tap into the resources of the local private sector.

Because the colleges are exporting educational models that emphasize relationships with business and industry, it makes sense that they involve those sectors in the actual delivery of educational services to overseas projects. Also, the requirements of overseas clients for a package of integrated educational services often require partnerships enabling Canadians to meet their various needs. The ACCC/ESPOL Project in Ecuador is an excellent example of the issues to be faced when developing links between educational institutions and private companies in terms of who does the initial exploration, how it is financed, and where conflicts of interest can arise.

In the fall of 1985, the International Program Advisory Committee of the ACCC created a special task force to establish guidelines for colleges to work with the private sector on international projects. These guidelines suggest that there are two distinct but related reasons for forming partnerships with the private sector in overseas work:

- to improve the scope and quality of the educational products and services that can be offered in a growing and highly competitive world market and
- to access a broader range of funding from both Canadian and international sources.

This task force has developed some guidelines and invited private companies

to take part in discussions. Watching ACCC representatives, colleges, and private companies amicably discussing these issues of joint cooperation for development projects provided an indication of how far the momentum for cooperation had already gone.

Most NGOs fearful of being viewed as exploiters are reluctant to work with either private companies or educational institutions. They also are reluctant to cooperate with other NGOs. Although there have been some creative initiatives by the Canadian Council for International Cooperation, most NGOs rigorously compete with other NGOs and remain wary of sharing their experiences or of jointly developing a proposal. Recently, however, CUSO, as part of its 25th anniversary, in collaboration with the North–South Institute, hosted an NGO conference that featured the question of partnership with other NGOs (at home and abroad), governments, and the private sector. This conference may indicate that the attitude of Canadian NGOs toward collaboration is changing.

Not all NGOs are apprehensive of collaboration. In fact, some appear ready to use whatever educational institutions can deliver and have shown a great facility in arranging projects using crown corporations, private companies, and educational institutions. Two examples are the recent programs with China undertaken by CBIE and WUSC.

Where is the debate on cooperation heading?

Despite the concerns and suspicions just mentioned, in the past 2 or 3 years, there have been some successful, innovative partnerships and joint ventures between private-sector firms, NGOs, and educational institutions. There is a realization by some organizations that they may find themselves in a more competitive position on both CIDA and international contracts with a joint venture. The bidding process on tenders from the international financial institutions (IFIs) is particularly onerous and expensive. In such cases, both educational institutions and PDAs could benefit from a link with a large, private firm with international experience. Unfortunately, just as these partnerships between public and private sector groups are beginning to show results, some pressure is developing to limit or even prevent their further growth.

While CIDA has encouraged and, in a few cases, forced such cross-sectoral cooperation, many senior officials within CIDA have become annoyed with the businesslike, entrepreneurial activities of some NGOs and have attempted to limit them by changing consultant selection rules and by fueling the perception that some NGOs are "not really NGOs." This attitude is supported by a few private firms that, although not averse to working with NGOs, are unhappy about bidding for contracts against them. The conventional wisdom is that NGOs have an unfair advantage because they are recipients of government core grants, pay no taxes, and do not enjoy the discipline of the profit (and loss) motive. NGOs argue that they are arbitrarily and unfairly restricted by CIDA in the overheads they are allowed to charge (restrictions that, ironically, sometimes increase their price advantage over the private sector). They also point out that they are neither eligible for any of the project identification, starter study, feasibility study, or other grants available to Canadian business, nor for any of the Canadian-based government assistance programs and guarantees that could be equated with the core funding provided by CIDA to some NGOs.

As this debate heats up, there are isolated vocal recommendations that traditional Canadian compartmentalization should be reinforced, rather than breached. For example, the Desmarais report, commissioned by the Minister of External Relations, states

> The much-vaunted formula of partnership between firms and not-for-profit organizations appears to be...problematical. It would be in CIDA's best interest to allow Canadian partners to choose each other, rather than encouraging marriages of convenience....
>
> (Desmarais 1986)

What this apparently means is that credit unions should deal with Third World credit unions, business should stick to business, and NGOs should deal with (Third World) NGOs, popular groups, or rural communities. "This is the best method of proceeding, that partners choose each other according to their orientations."

It is illogical to conclude that because "forced marriages of convenience" should be avoided, all marriages should be avoided. Such criticisms of new approaches, particularly of cross-sectoral partnerships, seem both naive and unimaginative. Given the burden placed on the Third World by the continuing proliferation of Canadian players and the modest success of the partnerships so far created (and encouraged by overseas beneficiaries), it also seems parochial, self-seeking, and lacking in serious development initiative. Therefore, changes should be made both in policies and regulations (related to bidding on aid contracts) to promote the growth of partnerships between sectors to deliver HRD activities.

5 Developing Canadian Centres of Excellence

Historical overview

Various studies in the past have argued that there is a need in Canadian institutions for more centres of excellence with a focus on developing countries. The large Third World area studies programs in some United States institutions have been supported by funding linked to defence and security interests. In contrast, Canadian funding agencies (provincial ministries, research granting bodies, and aid agencies) have not, for the most part, moved to provide individual institutions with sufficient resources to develop the "centres of excellence" that many postsecondary institutions have argued are essential if Canada is to respond adequately to the issue of international development. Interestingly, the present President of CIDA has been urging universities to consider concentrating their international development efforts in specific fields or geographic areas.

During the present times of extreme financial constraint, the lack of strong teaching and research centres dedicated to Third World issues on individual campuses often means there is no focus for faculty members in their efforts to maintain the allocation of human and financial resources from their institution to Third World efforts. There is a need to continue the search for new mechanisms to help create centres of excellence as a focus for international training and research efforts.

New approaches

There are many possible new approaches to developing centres of excellence. This section gives examples of institutions that are employing new approaches and suggests others. The following topics are discussed:

- centres that have been able to attract new sources of finance;
- linking a substantial Third World project with a Canadian-based program;
- the "internationalizing" of domestic centres
- developing centres of excellence that deal with high-priority issues that cannot be handled by available developing-country institutions;
- using networks to develop centres of excellence; and

- new centres jointly funded by the government and the private sector to tap international economic opportunities.

Attracting new financial sources

Institute for Resource and Environmental Studies

A central objective of the Institute for Resource and Environmental Studies (IRES) at Dalhousie University is to provide a mechanism for interdisciplinary research and training in natural resource management and environmental problems. Special emphasis is given to themes linking biological, physical and social sciences. The Institute is a prime example of how various domestic and international funding agencies can be encouraged to fund a Canadian centre of excellence that has a strong Third World commitment.

Particularly through its Environmental Manpower Development in Indonesia (EMDI) project, IRES has served as a model of how to form creative linkages among various disciplines, various universities (North American and Indonesian), and private-sector companies, NGOs, and various donor agencies. The EMDI project is an appropriate model for promoting institutional development in the Third World, developing new capacity in Canada, and mobilizing funds from a variety of sources. Its success has been due to many factors:

- a structure that allowed the director to put together a loose consortium and to offer subcontracts to NGOs and private companies;
- funding from a variety of sources, which gave the director more flexibility in developing the above arrangements;
- quality capacity to deal with a range of research, teaching, and materials' development in the Indonesian setting; and
- partners in Indonesia committed to the development of environmental institutes and with the credibility and responsibility to move things through the system.

Even with all of these elements in place, building a project or series of projects into centres of excellence in Canada and Indonesia depends on entrepreneurial leadership. The director at IRES, for example, combines the qualities of good teacher, good researcher, and good manager with an entrepreneurial flair.

Centres focused on international trade

Money has recently become available for centres of excellence related to issues of international trade and investment (e.g., the original four centres of international business at the University of British Columbia, the University of Western Ontario, the University of Montreal, and Dalhousie University supported by the Department of External Affairs). In 1984, the Secretary of State's centres of specialization fund (now defunct) also provided grants to chairs of international trade at the University of British Columbia, business and trade at Simon Fraser University, international commercial law and Asian–Pacific studies at the University of Victoria, and an Asian–Pacific business centre at a consortium of British Columbian universities.

National Centre for Management Research and Development

An interesting model is the recently formed National Centre for Management Research and Development in London, Ontario. Connected administratively to the School of Business at the University of Western Ontario, it is a national centre with a national board and researchers drawn from various Canadian and international public- and private-sector institutions. With this structure and with a research focus on such topical areas as entrepreneurship, productivity, and international business, this new centre of excellence has been able to attract funds from the federal government (External Affairs), universities, and the private sector. At least some of its research activities will likely be of interest to researchers concerned with technology transfer, mobilizing capital, joint ventures, and management development in developing countries.

Asia Pacific Foundation of Canada

Another recently established centre of excellence that steps outside the regular institutional model is the Asia Pacific Foundation of Canada in Vancouver, BC. Established in 1984 as an independent, nonprofit foundation, it is funded in equal portions by the federal government, the provincial and territorial governments, and the private sector. The stimulus for the Foundation has been the rapidly growing interest of the Canadian government and the business community in the economic opportunities in the Pacific Rim. This economic interest has facilitated the movement of capital to stimulate initiatives in that area of the world. Although the prime rationale is economic, the Foundation's mandate includes cultural and educational interests.

International Centre for Ocean Development

Following the United Nations Conference on the Law of the Sea, more than 80 states, many of which are developing countries, now claim an extended zone of jurisdiction. As an advanced nation in marine science and management, Canada was presented with great opportunities by the extended jurisdiction but also felt the responsibility to develop new forms of international cooperation. To help developing countries meet the challenges of ocean management, in 1983, the Canadian government created a new organization within the Canadian development assistance structure, the International Centre for Ocean Development (ICOD). Initially conceived as an NGO, ICOD had difficulties getting established because of a "confusion of identity" (an NGO established by government); it was converted to a crown corporation in 1985. ICOD operates under the policy guidance of a 14-member Board of Directors, appointed by the Canadian government, including 4 international members. It has no share capital and is dependent on the federal government for operating appropriations. The budget for 1986-87 was CAD 4 million.

ICOD is unique among development-assistance agencies in that it focuses exclusively on one sector: ocean resource development. It stresses expertise, rather than capital spending, and development by developing countries themselves. The programs place special emphasis on activities related to food production, and training personnel and strengthening the management of Third World institutions concerned with developing sea resources are priorities.

Linking a Third World project with a Canadian-based program

There is nothing new in a department or program of a university faculty taking on a Third World project that complements the focus of that department or program. Many examples exist across the country. However, if a long-term commitment is made, if the department has serious interests in international development, and if they have entrepreneurial leadership and good management, this type of activity can become much more than the sum of its parts. The basis for a new Third World centre of excellence can emerge from such an effort.

The program for rural development at the University of Guelph is a good example. Although the program was not organized primarily as a Third World centre, it has developed some outstanding expertise on rural development in developing countries, particularly Indonesia. Key elements of the program include

- a teaching program that draws on experience from various disciplines,
- a desire to attract academics with extensive experience in rural development in developing countries,
- an arrangement by which academics outside the university who have field projects are encouraged to bring the project to Guelph,
- a keen interest in attracting graduate students from developing countries and Canadian graduates interested in developing countries,
- opportunities for graduate students and faculty to work in developing countries (these are dependent on evidence of their commitment, including learning the language),
- a willingness to allow faculty in the program the flexibility to work with private companies on other related projects in developing countries, and
- a willingness to reach outside the university to the private sector for experienced managers of projects related to developing countries.

This program has been possible because of the strong commitment within the University to Third World activities, a good structure within the university (Office of International Programs) to support the program at the general university level, and a good manager with an appreciation of academic constraints to fit all the pieces together.

"Internationalizing" domestic centres

Another important method of developing Canadian centres of excellence is to interest and assist centres that have been developed for purely domestic purposes in developing an international role. In the past, such centres (involved in management training, crops research, forestry, environmental studies, adult education, etc.) have become strong resources for Canada's involvement with developing countries.

An example of a new domestic centre that is attracting financing from a variety of sources and will be of interest to some of the newly industrialized developing countries is the 1-year-old Centre for Advance Technology Education at Ryerson Polytechnical Institute. The Centre offers courses to regular Ryerson students; however, its primary focus is hands-on courses of 1–4 days for middle

managers in computers, robots, and laser and fibre optics. More important for our analysis of models is the fact that the Centre received a CAD 11.4 million grant from the federal–provincial Skills Growth Fund, another CAD 1.1 million from Ryerson, and substantial donations of equipment and labour from IBM Canada, Northern Telecom, and Hewlett–Packard (Canada) Ltd.

The first disbursements out of the new CAD 1 billion technology fund announced in last year's throne speech by the Government of Ontario have been directed to establishing seven new centres of excellence at Ontario universities. Although the focus of these centres' activities does not suggest any clear links to developing country interests, the method of organization and operation add strength to our argument that new links between public and private groups are needed to attract funding. Each of the centres involve not only a consortium of universities but also joint ventures with participating private corporations. Waterloo, with its large number of applied research centres, has become a focus of considerable interest to educational institutions and government policy groups in developing countries.

The pressure in Canada for corporate – higher education collaboration for centres of excellence for research, training, and consultancies has been building. The universities need more funds for research and more access to the research and development projects being carried out by industry. Thus, universities and colleges are being drawn toward the private sector. The need to consider different kinds of joint ventures between the public and private sectors for focused activities to support Third World work can be assisted because domestic demands are pushing in a similar direction. The key question is, who will work at internationalizing such centres? Should it be left to chance or the forces of the marketplace? What kind of brokers could play useful roles in promoting this concept?

Assistance in exploring the internationalizing of these domestic centres might be provided by the newly created Corporate – Higher Education Forum (CHEF), an ongoing association of corporate and academic leaders who have come together for the specific purpose of strengthening the linkages between these two communities.

Partnership for Growth (CHEF 1985) outlines the main forms of collaboration between the public and private sectors, including "university-based interface institutes." These are centres specializing in a particular discipline, usually located on a university campus. These institutes can be owned by the university or they can operate as semiautonomous or independent organizations. They provide a facility where research that is beneficial to both university and industry can be undertaken. Typically, these institutes also provide training and consulting advice to local industry.

Such institutes, which are financed from both public and private sources, are proliferating across the country as centres of specialized research for the university and as centres of specialized expertise for corporations. Some of them are already used by Third World institutions and international donor agencies as a source of research training for their personnel. Many in the international development field, however, scarcely know of these centres. Third World governments, agencies, and institutions could benefit from a clearer understanding of the mandate and the potential for HRD support of these widely diverse centres.

An extensive list and description of university-based institutes appeared in *Canadian Research*, volume 16, number 6. Many of these, although acting as

centres of excellence on a university's campus, do not really function as an interface between industry and the postsecondary institution.

Partnership for Growth (CHEF 1985) lists a substantial number of university-based interface institutes where initial sponsorship and, in many cases, continuing operational support has been obtained from the federal government. Some of the industrial research institutes and management training centres in this group have been developing expertise on Third World issues. In the same report, interface institutes are listed by their responses to a questionnaire circulated by CHEF. IDRC has also produced a useful listing of Canadian technological research centres and institutions (IDRC 1984).

Some of these reports may be of interest to Third World institutions and organizations. More importantly, however, this type of interface institute may be a model for the development of institutes with a focus more directly related to Canadian – Third World relations.

In 1985, CHEF expanded its interest beyond the domestic environment by organizing a Task Force on International Business Education and Partnership for International Development. Included in the terms of reference is a mandate "to survey the nature and extent of short-term education and training for Canadians engaged in international activities within Canada's universities, business, and government, and to recommend ways in which these programs can be made more effective, particularly through university, business, and government cooperation." CHEF should be encouraged to play a lead in documenting opportunities for, and stimulating support of, joint corporate – higher education centres of excellence that could provide training and research capacity for Third World projects.

Dealing with issues that cannot be handled by developing-country institutions

There remains a need to consider additional centres that could be useful for both domestic and Third World needs. From the point of view of those concerned with HRD in the Third World, these research and training centres should focus on areas of high priority to developing countries that are not addressed by Third World institutions. Perhaps IDRC should take the lead in identifying some of these subject areas.

It is likely that a number of these centres would focus on policy issues: i.e., energy policy, food policy, and science and technology policy. Other possible topics that might be considered are law and development, and research management. In the case of law and development, there are some programs developing at the University of British Columbia, Dalhousie University (in connection with the EMDI program), and the University of Toronto. All of these centres of excellence could be based either in universities or in public or private institutions.

When Canada wishes to support trainees in technology or food policy, it is usually necessary to pay them to attend institutions in the United Kingdom or the United States. The ability to sustain these types of expenditures out of Canadian aid funds periodically comes under question. It would appear, then, that if Canadians concerned with international development are going to lobby for some new centres

of excellence in Canada, they should focus on centres that have domestic as well as international importance.

The use of networks

The costs of building new institutions are high. A network of institutions and individuals may be organized such that the critical mass needed to create a centre of excellence can interact and be drawn upon, even though a centralized institutional structure has not been created (Neufeld and Tugwell 1986).

A domestic example of such an institute is the Canadian Institute for Advanced Research (CIAR). CIAR creates networks of researchers from various institutions, each organized to work on specific projects (e.g., artificial intelligence). The director, Dr Fraser Mustard, explains that the rationale for such a structure is based both on a changing research agenda (the need for more cross-disciplinary teams) and the cost. According to Dr Mustard (1985),

> To create one central institution to support 10 research groups with 135 serious research fellows and 300 other affiliated scientists would cost at least $500 million [CAD] and would have annual operating expenses of $80 million. The institute could achieve much the same result for about $15 million a year.

McMaster University's Health Sciences Faculty has applied this same network concept internationally by participating in developing two centres of excellence. One, the International Clinical Epidemiology Network (INCLEN), focuses on the training of university-based health services researchers. Young faculty members from selected medical schools in developing countries are trained at the master's level in four training centres, one of which is McMaster University. The second is a 20-member network of community-based educational institutions for health sciences that assists in the education of health professionals with a focus on the priority health needs of the community (Neufeld and Tugwell 1986).

There has also been a recent initiative to make available to developing countries the Canadian capacity of land mapping through satellites. This has been done through a network organized by a private individual.

Joint government–private funding

As previously stated, Canadian funding agencies have shown little interest in supporting centres of excellence focused on developing-country issues at Canadian postsecondary institutions. The recent realization of the size of the international market suggests that governments and private companies should consider jointly sponsoring new training centres to tap this new market and allow Canada to respond to more Third World requests.

New initiatives and new policies may be forthcoming regarding what the government is choosing to call "specialized training institutes." The dynamic for this rethinking, once again, is the pressure of market forces. The Canadian government is becoming sensitive to what our competitors (Australia, Germany, Japan, United States) are doing to attract the brightest students and trainees from developing countries. It is becoming clear that many of these countries are developing, with government support, specialized training institutes to attract

top-flight overseas trainees. For the most part, these are not regular postsecondary institutions offering degree programs. Rather, they focus on shorter, specialized training with more flexibility to tailor programs to overseas needs. The Japanese have developed many such institutes, teaching courses in English. Even the Italians, whom few Canadians would think of as having a major aid initiative, are working hard to create such institutes and to market their opportunities to developing countries.

An example of the type of centre that might be forthcoming under such initiatives is the recently announced Telecommunications Executive Management Institute of Canada. With a focus on sales to Third World countries, the federal departments of Communications and External Affairs, and six telecommunication companies are splitting the CAD 4 million start-up costs of this training institute for senior telecommunication managers from developing countries.

CIDA will be reaching some policy decisions on this type of commitment soon. If there is a decision to move significantly into the support of specialized training centres, then the whole momentum related to such centres might shift substantially. CIDA recently announced a grant of CAD 11 million to the newly created International Aviation Management Institute in Montreal to train managers from developing countries.

6 Institutional Development in Developing Countries

Background

The comprehensive definition of HRD that underpins this report stresses the need for educating and training individuals in relation to some long-term commitment to building institutions in developing countries. Some Canadians who have devoted their professional efforts to Third World development are afraid that this concentration on developing Canadian HRD capacity may cause Canadian donors and institutions to lose sight of this primary goal of institution building in the Third World. A key question is which mechanisms best allow people from developing countries to benefit from some of the training facilities available in Canada and at the same time build the institutional capacity in their own country or region. Similarly, there is an inherent need to avoid the problem of sending Canadian technical assistance people overseas with no serious plan as to how their availability to a Third World training institution will fit into the development plans of those institutions.

A recent article (Lusthaus and Anderson 1984) on institution building by Universalia traces the rise and fall of the theoretical underpinnings and frameworks for Third World institution building, which began in the 1960s. Lusthaus and Anderson (1984) note that "despite good intentions of researchers and donors, the spirit of activity during this period did not lead to a sustained and continued commitment to the improved understanding of the process of institution building." Lusthaus and Anderson (1984) also claim that part of the reason for the disappearance of institution-building models was "the overemphasis of definitional and conceptual issues and their failure to be prescriptive." In other words, the donor community was looking for practical guidance that the research community had difficulty in providing.

In the 1980s, there has been a reawakening of interest in models and frameworks for institution building. According to USAID (1984), this concern is due to the overwhelming evidence that

- weak and inappropriate institutions in developing countries are a serious impediment to development and
- efforts by donor agencies to improve institutional performance have, in many cases, produced disappointing results.

The concern is heightened by growing charges that the project approach for dispensing aid, which has been the cornerstone of most aid programs is, in some countries, clearly beginning to impede institutional development. For example, in 1981, Malawi was "benefiting" from 188 separate aid projects supported by 50 donors; the Ministry of Agriculture alone was "managing" 44 donor-financed projects. It is no wonder a recent World Bank development study concluded that a focus on participatory approaches, accompanied by donor and project proliferation, is contributing to the destruction, rather than the strengthening, of institutions (Morss 1984).

How overseas HRD opportunities strengthen or complicate the capacity of local in-service training to nurture institutional development must be examined. There is also increasing concern about training efforts related to capital projects in which little attention has been given to the wider infrastructure in which the projects must be imbedded. In many cases, training is done to improve short-term efficiency in a cocoon-like project run by outsiders, completely independent of the national training systems. When the outsiders leave, the local training support is not in place.

From this type of scenario, the concept of training that is characterized as "investment protection" has emerged. As King (1986) has described it,

> The investment protection cycle might well last for 10, 15, or more years, if the human resource development process was going to institutionalize itself and become self-perpetuating. As part of this investment protection training there would need to be established a kind of repair and maintenance mentalit, both in respect to the human capital, as well as the physical capital.

Issues to be considered

The issues of institutional development are, therefore, key to a renewed HRD focus. Most donor agencies agree that while they have considerable experience with institutional development, their understanding of the best ways to improve the effectiveness of these institutions is limited. The donors' approach to this work is essentially ad hoc and the causes of success and failure are poorly understood.

There is a need for new institutional development initiatives involving intensive research and development efforts. These efforts should an include analysis of past experience and the development of analytical frameworks. This would provide a better base for understanding how HRD efforts can be linked to more successful institutional building. The research should be aimed at developing frameworks for looking at institutional support and guidelines for project design.

New initiatives could start with a serious effort to develop some corporate memory of Canadian involvement in Third World institutional development. CIDA's new work with HRD-monitoring units linked to bilateral desks and the studies by Universalia (1985) could be a useful starting point. IDRC could take some responsibility for organizing and designing research into institutional development. Finally, it would be useful to categorize and analyze the Canadian

models that have been used and then look at some models used by American institutions, for example:

- the Ford Foundation's long-term involvement in Third World institutional development;
- the Agricultural Development Council;
- George C. Marshall scholars; and
- USAID's pioneering new approach to funding African institutions.

7 Specialized Support Services to Improve HRD Projects

This report has been advocating the need to improve Canadian capacity to deliver complex HRD projects that are likely to require a mix of formal training, on-the-job experience, and a range of follow-up personal and professional assistance. To both attract and prepare Canadian individuals and institutions to develop such programs, a range of specialized support activities are needed, including the following:

- improved mechanisms for Canadian institutions to become aware of the specific HRD needs of Third World institutions;
- selection of trainees, including language requirements;
- language and cultural preparation;
- support for professional staff development in both Canadian and Third World institutions;
- development of data banks in Canadian HRD capacity; and
- development of brokers in Canada to pull together HRD capacity of various organizations.

Improved mechanisms for awareness of HRD needs

Throughout this study, concerns have been raised about any activity that focuses on Canada's capacity to respond without first analyzing clearly what the developing countries want. Development agencies continuously reaffirm their desire to respond to the real stated needs of the developing world. The following examples represent some of the efforts made to develop mechanisms for the accomplish of these goals.

Assessing the HRD system of a developing country

Some bilateral desks have discovered that a basic starting point for any successful HRD program is to have a comprehensive inventory of the HRD system and the key players in the developing country. This background is needed to assist CIDA and the CEAs in designing programs, selecting and preparing technical assistance personnel, or selecting trainees. There are many models to consider in determining how this assessment should be done (Loubser Consultants 1985; Salasan Associates 1984).

It is important to stress that anyone assembling such an inventory must include a broad range of institutions (governmental; private, for-profit; and private, nonprofit groups). Any comprehensive analysis should account for capacities in the formal educational structures as well as considering the relationships between the educational systems, the economy, and the job market.

IDRC recognizes, as a precondition for its program of support for training researchers, the need for a comprehensive assessment of HRD needs at the country level. The concern is not only the availability of trained research labour but also how much of this labour is actually used for research activities, what incentives are offered, and what career patterns develop for researchers. The rationale for this type of planning and the mechanism by which this process can be undertaken at a country-specific level for an entire region is clearly outlined in IDRC (1986).

Creating HRD-monitoring units

The complexity of planning for the HRD component in different sectors of the economy has led several CIDA bilateral country programs to recognize the need for current information throughout the program. The Zambia program, for example, established an HRD unit for the ongoing monitoring and assessment of changing HRD needs in relation to CIDA-funded activities within the country. The Indonesian desk has tackled the same problem by hiring a consultant to carry on from the initial country HRD assessment, offering continuing inputs on the relationship between needs and project activities.

Programs for linking institutions

For many years, CIDA, through its Institutional Cooperation and Development Services Division (ICDS), has supported activities enabling early exploration by Canadian institutions for institutional needs overseas to which they are prepared to respond. The program requires some initiative and resources from both the Canadian and overseas institutions; thus, there is a degree of self-selection. This pioneering effort helped many Canadian institutions develop close ties with a Third World institution.

In 1986-87, ICDS provided support to 29 universities, 10 colleges, AUCC, ACCC, CBIE, and four Canadian institutes and Third World institutions in 45 countries. Its success has led to problems, however. A rapidly increasing number of applications, a shortage of CIDA resources, and university unhappiness with the terms and conditions of support (caused by tight finances at the universities) has put the program under some pressure.

The new framework for the program involves a yearly competition judged by a high-quality panel of non-CIDA personnel (organized by AUCC). The competition requires a highly detailed proposal. The next 2 years will determine if they can continue to attract high-quality programs when the effort required to submit the proposal is substantial, the amount of money available is small, and the terms of the grants are not particularly generous. Some universities have indicated they will no longer apply for such grants.

A welcome addition in 1987 was a small (up to CAD 5000) but much more flexible grant program. This will support initial contact between institutions

considering making a detailed proposal for the yearly competition. The IDO of AUCC, which administers the program, has submitted recommendations for changes that reflect the concerns of Canadian and Third World institutions. These institutions await, with interest, CIDA's response to these reports.

Brokering activities of AUCC

An example of the new activities of AUCC to help Third World and Canadian institutions develop appropriate match-ups has been the recent Thai–Canada project. It is significant that this program, which has some of the flexibility of the early ICDS efforts, is utilizing bilateral funds. AUCC took a team of Canadian university people to ask a Thai government committee just what they wanted from Canada. The Thais outlined three areas in which they wanted to concentrate their requests: energy, natural resources development, and institutional development. Although the Canadians felt the last item was too vague, they agreed to support these goals and to help Thai universities establish links with Canadian universities within these areas.

AUCC is serving as the broker in administering this project and bringing the institutions together. They arranged the exploratory visits and left documentation in Thailand on Canadian universities. The Thais responded quickly by sending detailed proposals directly to specific Canadian universities, which had to be prepared to respond to these proposals quickly. For those Canadian institutions that had built an internal structure for international activities, this did not create a problem. For others, it was difficult, if not impossible, to indicate just what their university was prepared to do and under what terms. This example certainly emphasizes the need for universities to organize themselves with some priorities.

IDRC's Cooperative Programs Division

The Cooperative Programs Division of IDRC[1] was established to foster sound participation by Canadian scientists and to encourage effective North–South institutional cooperation. As Professor Len Gertler of the University of Waterloo stated,

> It is providential that the cooperative initiative came 10 years after the establishment of the Centre. Those first years provided an opportunity to acquire a truly global appreciation of LDC needs, priorities, research capacities and gaps, and of the people active in research in a multitude of disciplines.... By design or good luck it established the basis for an LDC motivated cooperative effort.
>
> (Gertler 1986)

Yet, there are still many Canadians concerned with development research who know little of the role of IDRC's Cooperative Programs Division, even though 370 researchers from 30 Canadian institutions were involved in the first 4 years of the Division's programs.

[1] As of 1 April 1988, IDRC's cooperative programs were no longer handled by a distinct division. These activities are now coordinated on a divisional basis and receive the same amount of financial support.

Short-term assignments

Some agencies would argue that short-term (2–6 months) assignments have little usefulness in development terms. If organized as part of a larger strategy, however, short assignments can be used effectively to increase the knowledge and awareness of both sides as to an appropriate form for long-term projects.

For example, as part of a long-term HRD strategy, the Indonesian desk of CIDA laid out a process by which Canadian institutes could pursue immediate short-term activities. These activities would not only serve a need identified by the Indonesians but also allow both sides to get to know more about each other's needs and capacities. This approach, although having a slow start-up period during which the program has minimal ability to transfer substantial aid allocation, is being recognized as a sound approach in synchronizing long-term HRD programs with the needs of developing countries.

Another example is the regular summer teaching seminar given in Indonesia by a professor of hydrology from the University of Manitoba. The seminar not only provides useful in-service training for Indonesian scientists but also allows the Canadian professor to update himself professionally. Most importantly, however, it allows the professor to gauge the quality of the seminar participants as a first stage in determining who should be supported for university training in Canada. This program has made a substantial positive impact on the success rate of Indonesians in Master's-level programs at the University of Manitoba.

The Trent Colloquium

The Trent Colloquium is an example of a small university willing to risk time and effort in a preplanning phase for identifying potential needs as they relate to Trent's resources. A group of Trent faculty and students spent the best part of an academic year preparing themselves for a colloquium funded by CIDA. The Third World participants they attracted were first rate and appeared pleased to interact with the Trent group. The group made it quite clear that they had no fixed agenda but, rather, were eager to engage in discussions that would help them know what would be useful and what Trent could appropriately take on.

When some of the participants asked for a follow-up from some of the Trent students, the International Office of the University raised its own funds and immediately placed some students in the field for the summer. All in all, it was an impressive effort by a small school that takes its international responsibilities seriously.

Feasibility study support for private companies

While ICDS has been supplying grants to postsecondary institutions for start-up activities to explore joint efforts with developing-country institutes, CIDA's Industrial Cooperation Department has been doing the same for private, for-profit companies. More recently, the trade development branch of the Department of External Affairs has been allowing PEMD grants to be used to explore the potential marketing of educational services.

NGOs

It is clear that there is no single, static definition of a country's HRD needs in a world of changing priorities. However, some feel that the real needs of many sections of developing countries can be articulated best by NGOs. Canadian agencies have responded to these initiatives by channeling considerable amounts of Canadian assistance either through Canadian NGOs or to developing-country NGOs. They have also allowed the Canadian and Third World NGOs considerable latitude to adapt the project design.

Developing-country executing agencies

Another approach within CIDA has been to leave more of the implementing responsibility with the receiving country, on the assumption that the project will then better meet the needs of that country. In one of its first major new HRD projects in Africa in the 1980s, CIDA handed over to the Kenyan government the administration of a CAD 15 million program to place Kenyans in Canadian institutions. Theoretically, this plan gives the Kenyans ultimate flexibility in choosing what Kenya wants from Canada in the HRD field. Public- or private-sector people could be placed in various types of Canadian institutions for either short- or long-term programs. The Kenyan HRD project has wide flexibility, but the committee managing the project has chosen to interpret it narrowly, leaving many government departments, public institutions, and private citizens feeling that they have no access to Canadian HRD support.

It is useful to consider whether this approach could have been structured differently to respond to a broader cross-section of the country's needs. Also, one should not minimize the difficulties faced by a Third World embassy official in Canada being asked to place candidates in Canadian institutions. It is a complex task for people who have both experience in this work and a knowledge of the Canadian institutions. It is a particularly difficult task for someone who has not been doing this work and who has little or no knowledge of Canadian institutions. CIDA appears interested in utilizing this delivery mechanism in other programs as a way to deal with the shortage of executing agencies.

Developing-country buyers

A new factor in helping Canadians realize developing-country needs is the increased influence of market forces in the selection of projects by these countries. This development has been caused by the sudden surge in revenues enjoyed for a time by some oil-producing nations and by the fact that much of the aid from the World Bank, as well as bilateral aid agencies, is now soft loans instead of grants.

With this loan money, developing countries are able to shop around for specific HRD projects and are able to set the conditions and returns they desire. Institutions and agencies are forced to compete, often worldwide, in terms of the product they offer and its cost. In these negotiations, the developing countries with the money to spend have an opportunity to dictate what they want.

Where do we go from here?

For those concerned that the dynamics on some of the new HRD work will force Canadians to ignore what Third World organizations want, the preceding examples should be somewhat reassuring. We have come a long way since the early days of CIDA (then External Aid), when decisions were made in Ottawa without any field trips, let alone field staff, and the people to implement the projects were hired by CIDA without having been involved at all in project design.

There is an ever-increasing number of mechanisms being established to assist Canadians in understanding what their Third World counterparts want and to give those counterparts a chance to influence project design. Both the sensitivity of a number of Canadian development agencies and the market forces previously discussed have combined to encourage these efforts. The refinement and improvement of these efforts should now be a top priority.

There is one caveat, however. It is useful to keep pressing Canadians to make sure they know "what the Third World people want." However, many Third World officials are expressing annoyance at the time they waste talking to foreign aid groups about their needs, especially when many institutes could use assistance with just about everything. The response of these officials has been to press Canadians to tell them what it is they do well and who it is that does it well.

This is a legitimate challenge to put to the Canadian aid community. We have had too narrow a view of our capacity for international development work. As we come to understand better what we do well and who does it well, we must make organized efforts to pass on that information to developing-country groups. Part of this can be, and is being, done through increased, well-planned exploratory visits to Canadian institutions by foreign officials. It may also be useful to prepare a series of brochures or videos that document what we do well in different HRD areas and how foreign officials could make contact with the appropriate institutions.

Selection of trainees

There is an increasing interest in having the recipient institution in Canada involved in the selection of trainees. In the early days of CIDA, a representative from the Canadian institution was occasionally allowed to sit in on the final overseas interviews and add comments. Often, the feeling was that this process offered little scope for serious involvement. If more CIDA programs are going to be administered by developing-country governments (similar to the arrangement for the Kenya scholarship project), some consideration should be given to assisting the outsiders in developing an understanding of the Canadian educational system and in developing useful contacts at key institutions. Otherwise, a great deal of time is wasted trying to push inappropriate applicants at reluctant Canadian institutions.

Today, in some projects, such as CIDA's China management project, the Canadian director is a serious partner in the selection interviews. The director is expected to indicate not only which candidates are acceptable but also why the others, from the Canadian perspective, have weaknesses that would make it

difficult for them to succeed. The Chinese participants might then add information on certain rejected candidates in an attempt to change the verdict.

The extensive reliance on TOEFL (Teaching of English as a Foreign Language) tests for language competence as a requirement for admission to institutions is often frustrating and counterproductive. It makes no distinction between an average student who has taken four English language courses and has reached 450 and a bright student with no English language courses who reaches 430. It may be better to select the bright student with the low score, especially if there is to be some specialized language training before school begins. Many people argue the need for either a better test or an alternative means of providing criteria for sufficient English language competence to receive the training desired.

Language and cultural preparation

Historical overview

Although the issue of language training, either for trainees coming to Canada or for technical assistance personnel going abroad, has always been listed as a significant issue, little serious action has been taken in Canada. In the 1960s, when there was little support for preparation to go abroad or for trainees to come to Canada, volunteer groups such as CUSO pioneered some work in both directions. CUSO pushed for the development of TESL (Teaching of English as a Second Language) to prepare teachers better to work overseas when it was an ill-defined, little-known field in Canada. CUSO also introduced Asian and African language training for Canadians on a limited scale so that Canadian teachers would at least understand some of the broad concepts of thought in another language.

The CUSO West Africa Centre gradually grew into the Cross Cultural Learner Centre, which became a joint university-community project in London, Ontario. It was one of the resources drawn upon to establish the first briefing centre for CIDA, and some private firms began to seek assistance from the Centre in preparing their personnel for work in developing countries.

The Cross-Cultural Learner Centre was mobile and traveled from coast to coast in Canada, eventually stimulating the establishment of 16 cross-cultural centres across the country (some were aimed at native issues or Black studies, and some were geared to Third World issues). The Centre began to flourish and brought together noted cross-cultural trainers from Canada and the United States, from both the private and public sectors. Canadians began to involve themselves in the Society for Intercultural Training and Research (SITAR), then operating out of the University of Pittsburgh. Efforts were made by university people, CIDA, and the Secretary of State to start a Canadian chapter. Interest and support for this activity continued to grow.

During the late 1970s, however, the trend reversed. CUSO ended its special joint venture efforts to operate training centres, partly because they had successfully moved much of their orientation overseas. Also, some of the bigger NGOs felt confident in organizing their orientations internally (bringing in private consultants when needed). CIDA also went through a period when it lost interest in orientation. The following factors contributed to this decline: a reaction against the

overuse of sensitivity training, budget constraints, the personality of some key managers, and the lack of hard, supporting cost–benefit evidence.

Universities under budget restraints lost the ability to commit funds for Third World training, and SITAR, which had held such promise, moved more toward serving academic researchers and away from assisting the development of pragmatic responses to immediate training needs. Support for cross-cultural training had reached a low ebb, even though some individuals within aid organizations, universities, and private organizations maintained their interest and carried on the work.

In the 1980s, there has been a renewed interest in the field. Private companies, stinging from the huge losses involved when placements in a developing-country project came home early, began to seriously consider special efforts for selecting and preparing people for overseas work. To answer this need, private organizations providing cross-cultural training have been formed.

CIDA's Briefing Centre has reemerged with increases in its budget, personnel, and mandate, including service to the private sector. The most noticeable development has been the support by CIDA, as part of its new China program, of a serious program to develop, both in China and Canada, the capacity for offering language and cross-cultural briefings for Canadians going to China and for Chinese trainees coming to Canada. The program has three principal components:

- the China Project Office (CPO) at St Mary's University in Halifax, which administers and coordinates the operations of the two other program components;
- the Canada–China Language Training Centre (CCLTC) at the University of International Business and Economics (UIBE) in Beijing; and
- the five Regional Orientation Centres (ROCs) at universities in Vancouver, Edmonton, Toronto, Montreal, and Halifax.

An interim evaluation report of the Canada–China language and cross-cultural program mentioned the problems that had occurred in the early stages of implementation and the necessity of having had to deal with them in a time-consuming, reactive manner, rather than according to a directed plan. It also emphasized the need for more thorough investigation in view of the many assumptions concerning cross-cultural education, adaptation and transfers, language learning and teaching practices, and interinstitutional communications that the implementation of a program of this type calls into play. The report suggested the need for an overall strategy on briefing before further major commitments are made (CIDA 1985).

There is now some work underway to nurture the development of briefing centres for other bilateral programs (e.g., Indonesia). All of this activity suggests that renewed interest in cross-cultural orientation is renewed.

Impact of recent changes

To those who have been concerned with cross-cultural training in Canada for years, this move by CIDA in the China program appears to be an amazing reversal of form. Why is it that money is suddenly available for this kind of program? Why

is it that CIDA is now prepared to work cooperatively with Canadian institutions to build this capacity? Is this support for an orientation centre to be limited to the China program or is it a possible model for other country programs? It would be helpful to those in the field of cross-cultural training if CIDA were to clarify its intentions.

The decision by the CIDA Indonesian desk to support an ongoing orientation centre at the University of British Columbia for the Indonesian program increases the questions in the minds of Canadian academics and consultants interested in briefing work. Are they to assume that the work of CIDA's briefing centre is being deemphasized and that more briefing work will be contracted out? Is CIDA interested only in developing a program that has a university base, or are they prepared to enter into agreements with nonprofit groups or private-sector organizations? Are these country-specific centres to serve only CIDA's needs, or are they to be made available to other groups with an interest in that country? Is CIDA prepared to make a long-term commitment to developing resources for orientation, or do they merely want to contract out the job of orienting a specific number of trainees? Does this action suggest that CIDA will be supporting the development of different orientation centres for a number of different countries in Asia? When CIDA speaks of orientation, how broad is their understanding of the term?

Capacity to deliver briefing programs

Whether preparing Canadians to go overseas or preparing overseas personnel to come to Canada, a briefing program should encompass at least five different types of activities:

- intercultural training focusing on cultural differences such as values, perceptions, assumptions, customs, and how to interact with people from a different culture;
- briefings on daily living conditions, costs, climate, and customs;
- appropriate technology training centred on how to adapt Canadian technology to local conditions; this could be specific to the particular profession, or could develop attitudes preventing trainees from considering their Canadian training as infallible
- training trainers to pass on the skills and knowledge acquired so that initial HRD activities can have a multiplier effect; and
- language training that involves developing language skills in social and technical areas; an introduction to techniques for self-study (learning how to learn) would also be useful.

An analysis of the Canadian capacity available for cross-cultural orientations must be linked with a clear decision on priority training needs. The overall strategy developed by CIDA for supporting cross-cultural orientation will significantly influence the Canadian capacity to carry out this type of work. Before substantial, additional funds are spent on orientation centres, it is important for the directors of CIDA's bilateral programs to understand

- the reasons for a cyclical commitment to cross-cultural training in the past,

- the size and range of training needs for both private- and public-sector programs related to a particular country,
- the evidence available as to which training approaches are most useful in responding to specific training needs,
- the key operational and financial questions that need to be addressed before encouraging the establishment of a new training centre,
- the variety of resources for cross-cultural training that already exist in Canada (in CIDA's Briefing Centre, university centres, NGOs, private companies, etc.), and
- the organizations in developing countries that have the capacity to carry out some of these cross-cultural briefings.

Professional staff development

Support for staff development continues to be a priority for a variety of educational institutions, NGOs, private companies, and parastatals in developing countries. Universities face the problem of how both to release staff for upgrading and to keep abreast of their discipline when many institutions have neither the funds nor sufficient staff to allow regular sabbaticals. As most aid agencies are out of the business of supplying replacement faculty in large numbers, new mechanisms are needed to nurture this need. What is new for some other agencies are the areas in which these agencies need to train their staff. In some of the larger, growing Third World NGOs (e.g., the African Medical and Research Foundation [AMREF] in Kenya, Sarvodaya Shramadana in Sri Lanka, and Aware in India) core management needs strengthening.

Aid agencies and NGOs must increase the available opportunities and design new mechanisms for supporting professional development of staff in Third World agencies. Most of these efforts should be aimed at educational institutions, NGOs, or the agencies that support them. However, special effort should also be aimed at key areas in the private sector that have a significant role to play in development (e.g., finance and credit agencies, low-cost private health schemes, private associations to assist small business, consortiums in the housing development field, and private institutions offering middle- and senior-level management development).

To accomplish these goals, new funding programs and, more importantly, new mechanisms aimed at these specific needs are required. The greatest difficulty in design mechanisms for professional development support for CIDA and IDRC will be when they are challenged to find ways of supporting private groups in the Third World who have committed themselves to new, risky, but important efforts. Here, the Canadian policy of support for the private sector will be seriously tested.

The following are examples of types of projects that might be pursued:

- support for multifaceted, long-term, follow-up support to scholars and researchers that might include regular short research periods, access to journals, and periodic attendance at conferences (e.g., the George C. Marshall scholarships of USAID);

- support to Third World NGO umbrella organizations to enable them to run professional development programs staffed by local trainers or foreign consultants whom they are able to hire and direct (Voluntary Association for Development Agencies — Kenya, Dina Desa Environmental Organization — Indonesia, Sarvodaya Shramadana — Sri Lanka);
- support to private agencies assisting small entrepreneurs in developing countries (Kenya Management Assistance Program, Incubator Project by Kanchar, and ARA Consultants);
- formation of a donor consortium to assist large NGOs in avoiding the destructive aspects of project financing and, thus, enable them to strengthen their professional management and administrative staff (e.g., consortium of donors for Sarvodaya Shramadana);
- assistance to public and private agencies in Canada to help private and public agencies in the Third World design new products to mobilize domestic capital for development and to assist in staff training related to the delivery of those products (e.g., Acción projects in Latin America for microcredit schemes, Calmeadow Foundation proposal to support rural banking system in Ghana, and Guardian Trust training work with the Kenya Finance Corporation);
- support to Canadian agencies who make staff development of Third World NGOs a priority (e.g., Manitoba Institute of Management, projects in Africa and Asia);
- development of training capabilities to assist Third World enterprises in their export interests (e.g., FIT's project in Amnui Province, China, and WUSC's export development seminars for Chinese); and
- development of senior staff in a wide variety of Third World private companies (e.g., technical assistance program CESO).

Professional agency development

Because of the great shift in importance and complexity of HRD projects, staff development is needed for Canadian agencies involved in development. This training is needed, first of all, for aid agency personnel who must know why significantly different designs will be necessary in future projects. They will need to know why the shape of HRD projects is changing and what new administrative skills will be required of them.

NGOs that expect to play a bigger role in managing field projects and developing the staff of foreign NGOs need help in developing their training, project design, and project management skills. Private companies that win large contracts in developing countries without any experience would benefit from short training programs aimed at developing their knowledge and implementation skills.

Some universities need help in understanding the expanded opportunities in Third World HRD and what organizational and financial commitments it will take for their institution to benefit from these opportunities. Young graduates wishing to commit themselves to development work or trained professionals making a

midcareer shift into international development work require assistance in preparing for this type of career.

These needs suggest that various new support programs and training efforts (mostly short-term) are required. Specific examples might include the following:

- seminars to strengthen the leadership of Canadian private and public development agencies for the development priorities for the future (e.g., Niagara Institute);
- workshops to analyze the need for, and appropriate structure of, mechanisms by which Canadian agencies can assist the Canadian and developing-country private sector to play a larger role in Third World development (e.g., Aga Khan Enabling Conference);
- improvement of the capacity of Canadian NGOs and private firms in project design, developing implementation strategies, and management of large HRD projects in developing countries; and
- training Canadian development agency personnel in the use of "the case method" to strengthen NGOs and educational institutions in developing countries (e.g., IDRC's support for the AMREF–Kanchar management development project), to understand the crucial issue of mobilizing domestic capital for development and how their agencies could support Third World institutions with these efforts (e.g., Calmeadow Foundation project), and to develop skills in assisting the development of small business in developing countries.

Data base development

An examination of present data bases related to Canadian capabilities in HRD will suggest possible directions. There are many useful guides to resources within the university structure related to international development work. For example, AUCC has published a Directory of Canadian University Resources for International Development and is developing a computerized data base on Canadian University Projects in International Development (CUPID). The University of Alberta has a data base on the strength of their faculty to undertake international work. The International Directory of Human Resources compiled by the University of Saskatchewan in 1984 is interesting for its three-way listing. First, there is a faculty and staff member listing indicating areas of expertise, language skills, and countries in which the person has worked. Second, there is a listing by country where individuals have worked. Finally, there is a listing by competence revealing university expertise in 39 languages.

An inventory should include resources of more than the educational institutions and should list them according to specific problem areas or subject matters. An example of a data base by subject area is the IDRC-funded attempt to produce a computerized data base that offers a quick, reliable, and easily updated reference to individuals and institutions in Canada capable of training Third World personnel in energy policy research. The results of this ground-breaking effort will soon be ready for distribution to interested organizations. The package will include a technical manual, diskettes to enable you to access the program on most personal

computers, and five diskettes containing the reference material. Using this material one will be able to access references under six categories: regional area fields (African, Canadian, Caribbean, etc.), sectoral area fields (agriculture, commerce, education, etc.), energy source fields (coal, geothermal, hydroelectric, etc.), policy area fields (program planning, energy utilization, energy supply and demand, etc.), program area fields (e.g., is a diploma, Bachelor's, Master's, or Doctoral degree obtainable?), and Third World experience or interest. It will be useful to analyze the way in which this material is utilized.

In another development, CIDA has employed a consultant to prepare a data bank to assist bilateral program officers in finding appropriate Canadian consultants. Some interesting resource banks have been emerging from some of the large multidisciplinary HRD projects being carried out by Canadians. For example, Dalhousie University's EMDI project has produced an extensive data base on Canadian capabilities to respond to HRD requests in one specific area in a particular country. EMDI has published a *Guide to Environmental Studies Programs in Canada*. The project has an extensive base of information on individuals in private-sector industries and consulting firms, NGOs, government departments, and educational institutions, with interests and expertise in areas of the environment relevant to Indonesia's needs. Such a base of information developed in a pragmatic way in response to a specific request ensures its initial usefulness. A key question is how such data bases are maintained, updated, and accessed by other individuals outside the project.

Another way of organizing the data on Canadian capacity to respond to international training requests is to take a geographical unit of manageable size and organize the resources from various institutions, departments, and companies according to the important sectors of the economy in that area. This approach is being considered in a joint venture proposal by two private companies to design an institutional and operational model for coordinating and packaging Atlantic Canada's impressive international training capability and selling it successfully on the world market.

The available information technology makes the development of data banks that were unheard of 10 years ago possible today. So often, however, the problem is not with the technology but with the understanding of, and attitude toward, the technology by the potential user. Vast amounts of money are spent to build data bases that are seldom used. The question becomes how to organize data banks that are driven by the needs of the user and can be easily accessed to solve his or her problems. How can potential users become technologically literate in the information field?

There is a need to make more people in the Canadian HRD community (including the aid agencies) aware of the ways in which "electronic bulletin boards" and "electronic conferences" can be used, for example:

- linking Canadian institutions and individuals who share a common interest in Third World development;
- linking Canadian and developing-country institutions in a manner that could have a significant, positive impact on joint project design; and
- developing data bases directly from the problems and concerns of these groups.

IDRC's Information Sciences Division should be sought to assist in designing pilot projects using "electronic bulletin boards" and "electronic conference arrangements." Such projects should support the immediate goals of developing HRD networks through the sharing of information on capacity and specifics of project design and include a research effort to understand better the elements of an electronic network that are necessary to stimulate a diverse group of individuals and organizations to use it.

A recent move in this direction has been undertaken by the Department of External Affairs and CIDA's Indonesia desk who are utilizing the COSY system developed at the University of Guelph. This project is electronically linking most Canadian institutions involved in Indonesian projects with each other on a continuous basis and with six key institutions in Indonesia. The project is working well and achieving many intended and some unintended results. For example, the turnaround time of information between Canadian and Indonesian teams can now be as low as 12 h. This direct, almost instantaneous link between Canadian executing agencies and their clients in the field has a dramatic impact on the role of the CIDA office and their ability to serve as "gatekeeper." Developments now, even at an early stage, can proceed quickly and without any input or control by the CIDA team in the country. A report needs to be written introducing individuals to the potential of electronic networks; what it takes to start one, including hardware, software, and operating costs; as well as some analysis of lessons learned from networks already operating.

Who will play the broker?

Recently, an aid agency official was searching for a Canadian institution that could offer an appropriate program for government officials preparing to open a renewable energy section in one of many new ministries of energy being established in Third World countries. The program suggested to him involved the following mix of activities:

- short, specialized program on planning by a university department with extensive Third World experience;
- on-the-job training in a provincial utility that is moving to become a broad-based energy company;
- on-the-job training with a provincial ministry of energy;
- on-the-job training with one of the many small renewable energy companies that are commercializing research results;
- short, general, management course from a business school.

The officer's reaction to this plan was, "Great, we'll play the banker on that one." The response, however, was, "You may be pleased to play the banker, but who will play the broker?" This program could not be offered one package at that time because, although the capacity for making such a response was available, the applied capacity of packaging it was not in place. It is clear through many of the new public–private joint venture responses to new requests that the role of "broker" has become crucial. The term is used here not as simply a person or agency that puts people in touch with others for a fee. Rather, it requires people with a

commitment to the broad goals of the projects and who are prepared not only to bring the right partners together but also to stay with the project through to the implementation and management stages. There is a need for aid agencies to be more aware of the important role these brokers play and to find ways of encouraging the development of brokerage skills.

The qualities required to be a good broker include: negotiating skills, a good ability to listen, an innovative entrepreneurial style, the ability to dream of new lifestyles for the future, a willingness to take risks, a high tolerance for ambiguity, strong background experience in Third World development, the ability to develop credibility and a sense of trust in moving across cultures (government, academic, private sector, Canadian, African, Asian, etc.), good cross-cultural communication skills, the ability to develop networks, patience, tolerance, and a sense of humour. People with the skills to play the role of broker can be found in various public and private agencies, including aid agencies. Those in Canada who are concerned with increasing this country's capacity to undertake quality Third World HRD activities should be encouraging people to become brokers. Requirements in terms of changes in attitude, structure, and financial support must be articulated to help more individuals and organizations develop and use broker skills and turn the potential Canadian HRD capacity into actual capacity.

8 Entrepreneurial Fund Raising

Overseas opportunities for young Canadians

In the 1960s, many NGOs tapped a variety of community resources to provide young Canadians with their first study or work experience in the developing world. First WUSC, then Crossroads Africa, followed closely by CUSO carried out successful fund-raising activities in the private sector, received contributions from universities (mostly in the form of free administrative services), and challenged the participants to raise money for their international experience. These programs also counted on the foreign institutions that were to receive the Canadians to cover part of the costs in cash or in kind. Eventually, a precedent was obtained in getting the Canadian government to become one of the partners in these schemes, initially through the provision of transportation (using planes of the Royal Canadian Air Force) and, eventually, through matching grants.

In the 1960s, these programs were outstanding examples of entrepreneurial ventures that mixed public, private, Canadian, and foreign funds to both accomplish a task and develop Canadian capacity in an effective, efficient manner. There is a need to encourage new initiatives for the 1980s to help far more Canadians gain developing-country experience. In fact, initiatives are surfacing as institutions recognize the need for young Canadians to obtain developing-country experience.

- The Cooperative Program in International Development Studies at the Scarborough Campus of the University of Toronto has tapped a variety of outside financial sources to support their innovative program. This program involves an 8- to 12-month work placement with an agency or industry in a developing country. The Donver Canadian Foundation awarded them CAD 75 000 for a variety of support activities and the Rotary Club of Scarborough awarded two CAD 1000 scholarships for students in the program. In the formative period, the program received CAD 300 000 from CIDA to help them develop and implement their overseas work placements. More recently, they have arranged these placements through assignments with other private and public development organizations such as WUSC, FIT, and ARA.
- The University of Guelph's Rural Development Program requires overseas field placements for all participants and requires students to pay for this experience.
- The Canadian Society for International Health, led initially by a few dedicated medical volunteers, has recently gained financial support from aid agencies and private foundations. IDRC has been a prime supporter in its

efforts to place medical students and interns in developing countries to develop Canadian capacity.

- The University of Western Ontario continues to operate its own medical electives program in developing countries. Aided by a considerable volunteer effort and by the fund-raising efforts of the students, they are able to place students overseas in well-selected locations at minimum cost.
- As part of its international program, Trent University offers short-term overseas placements for students. These placements are often financed through private fund-raising activities.

In addition to such projects, development of university capability would be greatly assisted if CIDA's ICDS grants included some commitment to supporting first-time developing-country experiences for capacity building. The Fellowships and Awards Division of IDRC has made a significant contribution in this area with its Young Canadian Researchers Awards. Awards are offered to Canadian graduate students and junior professionals prepared to undertake research or research-related training in the Third World.

The individual activities of various public and private organizations would be stimulated greatly if CIDA were to proceed with recommendations to expand its direct involvement in capacity building in Canada. CIDA's Human Resources Division, which, for years, has offered a small scholarship program to build Canadian capacity, commissioned a serious study on the capacity of Canada to respond to new requests from developing countries. This study, now completed, points to an expanded capacity-building program in which private and public institutions would share the costs with CIDA.

Increasing involvement of postsecondary institutions

Some postsecondary institutions have shown initiative in developing their own fund to provide faculty with an initial opportunity to explore projects overseas or to bring developing-country personnel to Canada. Of particular interest are the range of special efforts initiated during the 1980s by the University of Alberta:

- allocation by the University Endowment Fund for a pilot project to support visits of scholars from developing countries for up to 12 months;
- University of Alberta Scholarship for students from developing countries (beginning in 1981, the university committed CAD 100 000/year to be matched by CIDA and were receiving over 700 applications for the six awards); and
- fund for the support of international development activities (established in 1982 through allocations from the University Endowment Fund to assist faculty in developing contacts and projects in Third World countries).

Other institutions have begun to establish more broad-based development funds that can be accessed by members with a strong commitment to international work backed up by some quality experience. One such fund is the Academic Development Fund of the University of Western Ontario. This was established by the Senate of the University with the primary purpose of providing seed money for

academic innovation; the Fund amounts to 1% of the annual operating budget of the University. The awards are made mainly to faculty groups and are for project support in excess of CAD 10 000. Although not targeted particularly at building capacity for international HRD, this activity clearly plays an important role in strengthening the capacity of the University and could be drawn upon for innovation relevant to international development.

As institutional members see the significant opportunities for outside funding limited to the development of international capacity, it is likely that more efforts will be made to draw on these funds to develop international HRD capacity. Also, if postsecondary institutions make an overall commitment to international work, we will begin to notice a greater frequency of special fund-raising appeals related to centres of excellence involved in this work. Such centres could then attract funding from other sources.

Since its inception, CIDA's ICDS has played a creative role in leveraging small amounts of government funds through a flexible matching arrangement. This arrangement encourages educational institutions (as well as professional associations and some NGOs) to commit some of their time and money to improving their capacity and developing contacts with Third World institutions. In its present form, there is concern that the program, although still useful, is not attractive enough to play a major role in stimulating the needed commitments, particularly from the postsecondary institutions. New financing innovations are once again needed so that ICDS can continue to play this essential role under new circumstances.

One creative approach to shifting the ICDS arrangement has come through CIDA's program with AUCC aimed at developing links between Canadian and Third World institutions. CIDA's money covers some of the up-front development costs that universities find difficult to fund. The process used is similar to the creative lining process pioneered by ICDS, but there is also access to bilateral money in CIDA. This program began with a contract in Thailand. Hopefully, the process will be expanded to other countries.

Another example of how CIDA is moving slowly to grapple with this problem is seen in the Management for Change program's use of the Canadian Federation of Deans of Management Schools to build networks with management educators in Latin America, Southeast Asia, and francophone Africa. Again, these funds cover the development costs of making contact and gaining personal experience that universities find difficult to fund.

CIDA has begun another small, but important effort to assist postsecondary and other nonprofit institutions by seconding (at reduced salary) senior aid agency executives to Canadian institutions concerned with international HRD (recent examples include ACCC and the Banff Management Centre). Agencies who use this opportunity creatively not only get a proven senior executive who can help them develop new programs but also get access to the contacts and ideas of the aid agency, all at a reduced cost. It would also be useful for institutions to seek the loan of executives from private companies concerned with Canada's involvement in the Third World. This would help the institutions develop long-term strategies and practical business plans, facilitating long-term commitments.

In what may be the first appointment of its kind in Canada, Imperial Oil of Canada seconded a senior executive as a full-time special advisor to the President

of the University of Toronto. This type of support should be explored for international HRD work. Perhaps CESO could place executives into short-term planning positions with postsecondary institutions to strengthen the institutions' ability to respond appropriately to developing-country requests. The AUCC's IDO has also been helpful in getting the World Bank to pass on more of their grants to Canadian institutions by using IDO offices to link Canadian institutions and individuals with CIDA-supported grants from the Economic Development Institute (EDI) of the World Bank and by establishing the secretariat for the China education program in Canada.

In 1985, CIDA concluded a cooperative program of technical assistance with EDI. Under the terms of this agreement, the first of its kind between EDI and an external aid agency, CIDA has been providing CAD 1 million over 3 years to assist EDI in its human resource development program. CIDA's contribution must be used by EDI to engage the services of Canadian individuals, consulting firms, associations and institutions. This initiative, therefore, presents a unique opportunity for Canadians to become involved in the development programs of the World Bank and to obtain direct Bank funding. Some institutions, using their new structure for international activities, have begun to play the role of broker in bringing together institutions in consortia for large international projects. As previously outlined, this type of effort gives these institutions the opportunity of obtaining contracts on large projects for which, otherwise, they would be ineligible.

An increasing number of universities are being forced by budgetary pressures to work cooperatively with the private sector in developing centres of excellence for teaching and research and to commercialize their research results. This has meant both working out cost-sharing agreements and the more complicated job of sharing profits, not only between the public company and the university but also with faculty members. Difficult as these arrangements are, the pressures of changing times are forcing institutions to find ways of making them work. The more aggressive, entrepreneurial institutions are doing just that.

Postsecondary institutions also are having to consider new ways of using institutional facilities or holdings to raise money that can be applied to areas of concern to the institution. For example, York University plans to lease 400 acres (1620 ha) of prime property for commercial development (hotel, shopping plaza, and business and government offices) to raise extra funds. They also hope to share badly needed offices and classroom space on campus with private businesses. This effort is being initiated by the York Development Corporation. Similarly, the University of Guelph has opened a real estate division and hired a land developer whose job is to make money for the University from its impressive holdings of vacant land. These approaches, although controversial, represent a return to early provincial policies when the Ontario government, with few financial resources, made land grants to different organizations (often church groups) to help finance the development of education institutions.

Postsecondary institutions also are having to become active lobbyists to improve or protect the grants they receive from federal funding agencies. For example, they have had to battle hard to slow the cut-backs in funding for many of the federal research councils. Such lobbying has been successful in getting a new program of support for the Medical Research Council, the Natural Science and Energy Research Council, and the Social Sciences and Humanities Research Council (SSHRC). This involves grants from the government matching any new

monies pledged to universities by the private sector. SSHRC, for their part, plans to return 20% of the matching grants to the universities and to retain 80% for allocation. Of course, this program is not aimed primarily at international work, but that field has an opportunity to benefit directly or indirectly from these new funds.

Postsecondary institutions are having to be more entrepreneurial to gain grants from provincial governments. For example, the new increases in general funding for postsecondary institutions in Ontario were the result of organized lobbying by the institutions, who had to learn to make their point more strongly and win political support. In Ontario, the support of the Bovey Commission for increased funding came partly from the realization by the business executives on the Commission that the universities had been required for too long to do too much with too little. They also found that the universities have been effectively managing their financial resources. As the businessman chairman Edmund Bovey reported in a *Maclean's* interview (28 January 1985),

> Contrary to general business opinion, as we went around from campus to campus, I became terribly impressed with what they were doing and how they were trying to cope with financial constraints — they use a private sector approach to cost control and are just as businesslike as they are in Trans Canada Pipe Lines Ltd., or Norcan, or Mother Bell.

In May 1984, the Government of Ontario established the University Research Incentive Fund with CAD 30 million to improve the research capacity of the universities and to strengthen their partnership with the private sector. Also, the funding under the new centres of excellence program requires that institutions create consortia and develop proposals in competition with other consortia. Out of 28 applications, only 7 were chosen for funding. Only entrepreneurial institutions will reap the benefits of new government programs.

Increasing flexibility and autonomy of NGOs

The establishment of CIDA's matching-grant approach to nonprofit organizations in the early 1960s was a major innovation in the financing of international development. The matching of private funds by government (at the federal and, in some areas, the provincial level) was a creative, innovative breakthrough that, for a time, made CIDA a world leader in this area of cooperative efforts.

The disadvantage of the matching-grant process in recent years has been that many agencies have come to depend almost completely on CIDA for their resources. The new interest by CIDA to use NGOs and private firms to do more implementation work is showing signs of exacerbating this situation. The worry is that nonprofit agencies that become closely tied to an aid agency will begin to fit their programing almost exclusively to the donor's priorities and cease to play the creative, exploratory role that has been characteristic of NGOs. Also, any sudden change in the donor's priorities could leave such an NGO extremely vulnerable. Being so dependent on one agency for funding can also hinder the ability of an agency to be competitive on projects funded by international bodies, thus continuing the dependency cycle. Lastly, being entirely dependent on CIDA for funding means the agency has little opportunity to negotiate independently with Third World NGOs for new programs to fit new needs. Indeed, visiting NGO

officials are often startled to find that Canadian NGOs often appear to have little or no opinions or programs separate from CIDA.

While praising the partnership that has been established between the NGOs and CIDA, it is necessary that some new financing arrangements be created for the NGOs. Without these new arrangements, many NGOs will become increasingly sterile as development agencies, some will go out of business, and the ability to develop new skills to respond to new requests will be limited. CIDA needs to respond to new entrepreneurial efforts of the NGOs with some new operating policies that reward and encourage these efforts.

What are some of these new initiatives? One example is the work of WUSC in developing an English language training project. If supported by CIDA, this project would give WUSC access to training funds from a large World Bank project in Indonesia. In other words, a small amount of funding from CIDA could be leverage into a substantial World Bank contract. Clearly, the regular CIDA procedures will not fit these cases. One cannot expect an NGO to cover these development costs and then have to tender in open competition for CIDA support on a project that they developed. More importantly, access to the larger bank funds is tied to the creator of the project, not the winner of a Canadian competition. New financing arrangements need to be developed to fit these circumstances.

For the most part, Canadian NGOs preach the ideology of self-reliance to their developing-country clients. Yet, because of the nature of Canadian government grants few NGOs actually practice what they preach (except for the creativity involved in getting CIDA grants). In this decade of social cutbacks, it is clear that both domestic and internationally orientated NGOs are being challenged to take on a wider variety of operations to raise their own funds.

Many US nonprofit organizations are making an unprecedented foray into the unfamiliar world of commerce to raise their own funds. There are considerable risks involved. Serious questions are raised of legality, propriety and ability. The private sector argues that competing with nonprofit organizations is unfair because of their tax-exempt status. Many within the NGOs, in fact, say that by entering the marketplace they risk blemishing an image that has been important in raising funds. Also, the management skills of the nonprofit organizations has been questioned. There is a fear that business mistakes could affect an organization's ability to fulfill its service orientated or charitable mission.

The stakes are high and need to be carefully considered. It is crucial, however, that Canadian NGOs with a commitment to international HRD do not become mere extensions of CIDA departments. All participants, including CIDA, lose when this happens.

It is well known that a few NGOs, particularly WUSC, FIT, and CBIE have been developing the capacity to serve as entrepreneurial brokers in locating major international projects. These NGOs then package a complex mix of skills from the private and public sector to respond to such opportunities. This gives the NGOs the chance to participate in substantial HRD projects funded by a variety of national donor agencies, international development banks, and Third World governments.

Few Canadians know that Oxfam in England runs its own procurement agency. This agency buys and supplies goods and equipment to numerous development projects run both by Oxfam and other international agencies. Often,

Canadian money goes into an international relief agency program that then pays Oxfam to supply the goods, many of which come from sources in the United Kingdom. In the meantime, Oxfam raises funds to support its own programs.

Some Canadian NGOs have made tentative moves to establish a similar operations. The Canadian Organization for Development through Education (CODE) has gone so far as to establish such an operation in cooperation with a Canadian trading house. Unfortunately, there has been little evidence of concern in government bureaucratic circles about the lack of such a facility in Canada, even though this type of legitimate development activity precisely fits the mandate being preached by the politicians. A serious effort should be made by NGOs, CIDA, the Department of External Affairs, and some Canadian private companies to explore how more procurement for international projects could be handled by a joint NGO – private sector procurement agency. This should be done in a way that would ensure that the projects get quality products at good prices, that Canadian companies get an improved chance to supply international projects, and that the NGOs involved obtain a new source of revenue for other activities.

There is also an opportunity for NGOs to benefit from blocked funds, held by Canadian private-sector firms in developing countries, that they cannot repatriate. By creating a project that can utilize the blocked funds (if donated by the Canadian company that earned them), the NGO can use these funds and legitimately give the Canadian company a tax receipt for a charitable donation. Both groups win. This type of activity has become a substantial fund raiser for NGOs in the United States and for some international NGOs. Some Canadian NGOs are involved, but slightly more aggressive efforts might prove rewarding.

Few NGOs are taking advantage of job-creation grants that can now be used by Canadian development agencies to pay part of the salary of young staff. Such grants are awarded provided the agency defines a clear training obligation for the new personnel. Another intriguing new effort to mobilize new funds for international development work is the exploratory effort by a group of NGOs to form the Canadian United Fund for International Development (CUFID). The broad objective is to link a significant number of members from the NGO community to work at generating more revenue for their work from the corporate community. It is encouraging to note that this cooperative approach to fund raising is being approached by the NGOs in a very businesslike fashion based on a realistic business strategy. The assumption is that the corporate community will not take the organization seriously if there are too few members or no clear financial benefits to the membership. Joint fund-raising efforts by NGOs have now begun in Europe. It will be interesting to watch the result of this Canadian effort.

NGOs must take their fund-raising responsibilities seriously and CIDA, through its policies and procedures, should do everything possible to support the NGOs in their attempts to build a wider base of financial support.

Increasing private-sector involvement

Private-sector firms are now, more than ever, favoured by donor agencies as suppliers of the goods and services for international projects. We have argued that this can be both a blessing, as it offers access to needed skills, and a curse, as it puts

development money in the control of companies that know nothing and care little about development issues. This problem can be alleviated somewhat by offering shared-cost, capacity-building programs that will be attractive only to firms with a serious long-term commitment to working in developing countries. Most of the problem, however, is political. As long as the government interferes in the tendering process, patronizing Canadian firms with no international experience, the development community's ability to deliver quality programs will be severely hampered.

There is an argument to be made for a more creative type of intervention by the Canadian private sector. It is naive to assume that private companies enter development projects for purely altruistic reasons. Over the past 20 years, however, Canadian governments, in trying to rehabilitate bankrupt industries or encourage the development of new industrial projects, have developed mechanisms by which government grants or guarantees have been used as leverage or collateral to help attract the capital of private companies to development projects.

To involve the Canadian private sector in Third World development, it is important that CIDA policymakers develop similar mechanisms by which aid money can be used as a lever to attract private-sector money. Mechanisms combining Canadian capital, Canadian technology, and Canadian managerial and training capacity would be most attractive. Pilot designs for such efforts are available. What is lacking is any clear understanding of why this type of private-sector involvement could provide much-needed new investment money for developing countries and what it will take to encourage Canadian firms to take this type of risk.

The shortage of domestic and international capital for Third World projects is a crucial problem; however, yet many experienced development workers know little of it, and show little interest in, the problem. There is a tremendous need to educate aid personnel on these matters and to test new initiatives for mobilizing capital. In this respect, two recent developments should noted. First, Family Care International (FCI) in New York was recently formed by people with a long commitment to NGO activities in developing countries. The overall aim of this project is to strengthen and expand the role of the private sector in delivering curative health services at reasonable costs to urban populations in developing countries. With the acknowledged inadequacies of government health services in developing countries, FCI plans to operate a network of private, ambulatory clinics to provide required services at reasonable costs for an urban-based, wage-earning population. Second, a group of Canadian private-sector people recently proposed that government should become involved in the formation of an investment company that would pull together Canadian capital, technology, and management skills for specific projects in the Third World.

Of particular interest as a new model is the Resources Development Foundation (RDF), formed with initial support from USAID and the Rockefeller Brothers Fund. RDF is a tax-exempt, nonprofit organization chartered to help mobilize public and private funds in support of development activities throughout the world. Their initial focus is the establishment of commercial biotechnology enterprises in the developing world. After extensive planning, a consensus was established that profitable, appropriate biotechnology projects in selected Third World countries could best be established through two separate, cooperating organizations: the International Biotechnology Group (IBG) and RDF. On the one

hand, IBG will be a for-profit, business-development corporation in technology transfer and technology development that creates biotechnology and biotechnology-related enterprises in Third World countries with developing-country partners. On the other hand, RDF will handle biotechnology and development projects that have a promising but insufficient immediate-return potential to attract exclusively profit-orientated development. In addition, RDF will make program-related investments in IBG and other biotechnology development enterprises. This model bears watching.

Similarly, it is important that CIDA decide on the most useful manner of delivering financial support to Third World private companies. Increasingly, Third World governments (socialist, mixed economy, and market economy) are relying on the private sector to mobilize capital and provide jobs. If Canadian aid policy is now committed to supporting private-sector involvement, then a necessary next step is to develop mechanisms that will assist key entrepreneurs play their expected role without compromising the integrity of a Canadian government agency using taxpayers' funds.

The problem lies in the government agency. As a rule, it believes there is a legitimate role for private companies in cooperation with aid agencies. The staff of the agency, however, given their past experiences, tend to be suspicious of any special private-sector initiatives by either Canadian or Third World private companies. It is important to break through this impasse. Support should not be focused on Third World private-sector personnel; however, support mechanisms must be in place when requests are made.

Marketing Canadian HRD capacity

Canada's educational institutions have suffered from the strong reaction against increased funds for education and training triggered by radical movements in the 1960s and early 1970s. Once again, however, HRD is slowly being recognized as a major element in strengthening Canada's domestic economy. Considering Canada's place and potential in the international HRD market, it is also becoming apparent that domestic initiatives addressing the requirements of the economy and society also bring international benefit.

As a result, a variety of new funding initiatives have become available to encourage the export of HRD capacity to developing countries. For example, the trade development branch of the federal Department of External Affairs now allows export promotion grants (PEMD) to be accessed by Canadian firms interested in exporting HRD capacity. A clear example of the use of these export programs for HRD work is seen in the ACCC project with ESPOL University in Ecuador. ESPOL had a USD 38 million loan from the Inter-American Development Bank (IDB) to expand their facilities and programs. Before the loan was approved, ACCC, ESPOL, and the Northern Alberta Institute of Technology had cofinanced a preliminary needs analysis. This led to an agreement to commit ESPOL funds (from the IDB loan) to ACCC for a complete needs analysis if there was complementary financing from Canada. Thus, there is the potential to win contracts for fellowships and further technical assistance for Canadian colleges (financed by IDB) and to advise Canadian equipment suppliers and procurement agents of sales opportunities.

ACCC then secured CAD 40 000 from External Affairs' PEMD "A" Program. Essentially, these loans (to be repaid if the firm wins a contract) cover 50% of the marketing costs of Canadian firms seeking international contracts. Subsequently, ACCC received a Canadian project preparation facility grant (CPPF) from CIDA's industrial cooperation program. These grants are for Canadian organizations providing overseas project-development services that may lead to commercial benefits for Canada.

Provincial government agencies are now prepared to pay part of the salary costs of firms involved in international trade if they hire and train young staff (e.g., Ontario Ministry of Trade and Industry's international apprenticeship program). Provincial ministries of education that have a new-found realization of the profits to be made from exporting HRD capacity have established new positions to promote these opportunities. Various provinces now take educators on specialized trade missions. The Ontario Ministry of Universities and Colleges has recently established an international section to assist postsecondary institutions explore international opportunities.

The Department of Regional and Industrial Innovation (DRII), which previously saw CIDA as being solely responsible for Third World training opportunities, is now showing an increased interest in this field. Although little major action has been funded by DRII, their future involvement could be substantial. Crown corporations such as OIC, Petro-Sun International, Agriculture Canada, and Ontario Hydro are now actively promoting international training capacity as one of their prime export products.

Some postsecondary institutions, private companies, and private development agencies are actively promoting Canadian HRD capacity. Guelph University has developed a nonprofit company to market the university's expertise and has entered into joint ventures with private companies to market the university's capacity in different parts of the world.

For some time, ACCC has seen the Arab World as a prime area for working with profit-oriented firms that wish to pursue projects with an HRD component requiring ACCC expertise. For example, in recent years, ACCC has developed the following proposals:

- Syria: technician training and a training facility (with an engineering consulting firm);
- Iraq: food-processing training institute (with an engineering firm); and
- Qatar: health-care technician training (with a medical management consulting firm).

This has led to the establishment of a marketing consortium that can benefit from the direct involvement of provincial governments, private companies, and community colleges.

Despite these actions, it is clear that Canada, while demonstrating its ability to take on major contracts, is failing to realize its potential in the forum of international HRD. Increased success depends on increased financing for information and marketing systems (not enough Third World institutions know what we do well). Financial support is also required for the variety of joint

public–private initiatives to offer clear, consistent, ongoing messages to potential clients of what Canada has to offer in the HRD field.

It is clear that Canada has not developed mechanisms that allow it to compete successfully with countries such as the France, Germany, Japan, the United Kingdom, and the United States. Many of our competitors clearly possess effective institutional mechanisms to mobilize domestic resources and to arrange financial support sufficient for obtaining international contracts. Financing must aim at stimulating policy coordination and establishing a national coherence in a field occupied by an impressive array of organizational players. A recent FIA (Forum for International Activity) paper (Rawkins et al. 1977) details how Canada might become a more effective competitor in the international HRD market.

Financing by private foundations

Unlike the United Sates, Canada lacks private foundations (such as the Ford and Rockefeller foundations) that supporting building the capacity to do long-term, international HRD work. Nonetheless, private foundations in Canada have a potentially important role to play in the development of international HRD capacity and could be a source of flexible money, which could make a difference in some fields. Because of their structure and source of funds, foundations have the potential to support some of the most needed and innovative new approaches to international HRD. For the most part, foundations are not driven by the short-term goals and political necessities that directly or indirectly influence many of the aid agencies. The desire of aid agencies and some NGOs to do something different and significant often leads to optimism for a particular approach, driving aside any contrary evidence or questions of doubt.

With the changing magnitude and complexity of international HRD commitments, Canada needs development-oriented groups to design and test pilot projects for long-term institution building in Canada and the developing world. The financial support for such groups must account for the need for entrepreneurial innovation in this area. High-risk activities must occasionally be supported with an intellectual honesty that accepts the ambiguity of the enterprise. The financing institution must not, through its granting procedures, stress absolutes and simplicity by cleansing world problems of their complexity.

9 Networks and the Development of International HRD Capacity

Why networks?

In sea[illegible]hing for appropriate responses to the new challenges and opportuniti[illegible]n international HRD, the need for a changed organizing mechanism has appeared. Increasingly, there is a sense in the development community that the network concept may provide that mechanism.

In his best-selling book *Megatrends*, John Naisbitt (1982) deals with the 10 main trends he believes are restructuring American society in the 1980s. The eighth trend in his list is the slow shift from a hierarchical to a networking style of management.

Naisbitt (1982) claims that the new problems facing North American society were not solvable using the hierarchical principle and, thus, the networking model evolved. Networking has become a powerful tool for social action. Those who want to change the world began doing it locally in clusters of like-minded people with a purpose. In some cases, networking is a vehicle for linking people together for an economic interest (ride-sharing programs, food groups, etc.); in other cases, networking is the first stage in the formation of community self-help groups. The women's movement emerged in classic network fashion and the environmental and antiwar movements had networking starts as well. Naisbitt also suggests that even the large, commercial organizations are questioning whether the hierarchical structure can completely fulfill their organizational goals. Many are developing a new management style based on networking. Its values will be rooted in informality and equality; its communication style will be lateral, diagonal and, bottom-up.

Importance of the move to a network model

Clearly, the early structures for the Canadian aid program were hierarchical. Those groups seeking aid came to Ottawa and decisions were made in Ottawa. Even though aid workers usually spoke of assistance being allocated to a Third World institution, the money was usually allocated and controlled by CIDA staff or by a Canadian institution on contract to CIDA. Initially, the developing-country institution had little or no say in project design, budgeting, and even less control over expenditures. Furthermore, in the early days of developing Canadian aid structures, the aid agencies tended to deal with small groups of bureaucrats and politicians in the developing world. The modernization theory, which underlined

these early efforts, held that the educated elite in the centre would gradually penetrate the periphery, and that the central government would be the leading force in managing economic growth and could efficiently deliver goods and services to the people.

Initially, the aid agencies believed that only governments could carry out development. As a result, donors tried to build up the capacity of the central bureaucracies, believing that by training bureaucrats and reforming civil service procedures the obstacles to development would be eliminated. In the mid-1970s, there was a strong negative reaction to this approach; this criticism has continued to grow. Over the past 20 years, the aid community has moved away from a straight donor–recipient relationship to a more sharing relationship. Initially, individual Canadian institutions began to include the developing-country institution in the contract negotiations with CIDA. This gave the developing-country institution input into project design and budgetary allocations, although control over the funds remained in Canada.

Believing that true partnerships were more possible through NGO activities, some aid agencies and foreign governments moved to increase their support for these activities. Since then, a lot of quality networking has been done through the NGO system. Esman (1986) suggested that Third World government bureaucracies could be moderately and effectively shrunk by promoting "service networks," which could identify and use all the managerial capacities available in those societies. Esman (1986) argues that

> Several sources of managerial capacity are found in developing countries. They include private non-profit organizations, local governments and the private sector. They also include local organizations controlled by their own membership. Many of these groups are informal and not known to their governments.

The aim is to put these sources into a network. The initial choice of groups will be pragmatic and the networks will then develop through a natural process of evolution.

The ICDS program of CIDA was a creative initiative to assist in the building of network links between Canadian and Third World institutions, and, beginning in 1981, the Cooperative Programs Division of IDRC has fostered similar contacts in the field of research. Indeed, from its inception, IDRC has been successful in fostering a significant new approach to development assistance through the concept of networking. This was reflected in the international composition of its Board of Governors, the global–regional structure featuring offices in six major world regions, the Centre's major involvement in, and support of, two international information systems, and the Centre's initial programing stance, which was to nurture network projects involving researchers in more than one country.

Networking is not a new concept in international development; however, it is only now receiving attention as an approach for international HRD activities. The reason for this is the range of new demands for HRD support that are not being met using traditional structures. These demands include the following:

- "designer" projects fitted to individual needs;
- combining formal and on-the-job training backed up by personal and professional support;

- the recognition of the complexity of many HRD problems;
- the need for cross-disciplinary activities;
- technical assistance personnel (whatever their discipline) must exhibit the ability to manage projects, transfer skills, and handle the problems of cross-cultural communication;
- linking the public and private sectors to obtain the required mix of skills and experience;
- including a concern for capacity building in the Third World into any HRD activity carried out in Canada; and
- the need to be more proactive in telling Third World organizations Canada's areas of top quality capacity so they can make a more formal choice.

Examples of creative networks

Twinning network

In the 1960s, aid agencies began to encourage the direct twinning of a department, faculty, or entire institution in Canada with a developing-country counterpart. The goal was to get an institutional commitment from the Canadian organization that would produce greater benefits than hiring a team of individual consultants. At the moment, CIDA is supporting over 200 twinning projects. Increasingly, these projects are being handled through the ICDS program rather than the less flexible, bilateral projects.

The twinning model has considerable advantages in gaining commitment and simplifying administrative procedures for the donor agency. However, it is not without limitations. Although the twinning network does not fulfill the full concept of a network, some people are referring to this type of arrangement when they speak of networks.

Tripling network

"Tripling" is not as familiar as "twinning," but it is a variation. The concept seems to have originated with some initiatives of the Director General of Higher Education in Indonesia.

With Canada's new interest in HRD in Indonesia, CIDA has been exploring ways in which Canadian institutions might participate in institutional development. This is difficult in a country with a very different university system, where many postsecondary institutions are in an early stage of development, and where the use of English among faculty and students is rare. Development assistance would be more effective if the Canadian institution was twinned with a top-category Indonesian institution, which would release staff and resources to a second-level Indonesian institute. Through this concept, known as "tripling," a network of resources for institution building would be accessed. The Indonesian staff of the second-level institute would be able to function in Bahasa Indonesia because of the Canadian assistance to the lead institution. This approach is theoretically sound;

however, many of the second-level institutions are anxious for direct twinning with outside organizations.

Consortia of postsecondary institutions

Direct twinning has limitations as a key model for long-term institutional commitment. There is often a shortage of appropriate faculty long before the project is over. Many top-quality schools or departments, which are in high demand for domestic and international activities, are just not prepared to make long-term commitments to one area of the world or to one institution. The responsibility of continuously providing high-quality faculty is too great a demand on their limited human resource base.

One solution to these problems is the formation of a consortia of institutions to work in a particular area. The United States has used this model extensively. As previously mentioned, for the most part, Canadian consortia are not ongoing, formal organizations. Rather, consortia are temporarily organized for a specific project.

Single-discipline network

The single-discipline network been a common model for IDRC since its inception. IDRC's objective was to support projects involving researchers from many countries working in a common field of research. This approach has declined in importance within IDRC, however, and support has been going more to individual projects. This was a result not so much of conscious choice but rather of the inherent difficulties in finding groups in different countries with similar interests, at least somewhat similar skills, and a commitment to sharing. This type of network project also requires a significant amount of specialized management skills.

Multidiscipline network

Multidiscipline networks concentrating on a single development have been advocated at some IDRC workshops. This type of network should help aid agencies directly address significant problems (e.g., food production in the Sahel) and avoid bureaucratic isolation and losing touch with the people affected by the problem.

Information network

Over the last 15 years, many elaborate information networks have facilitated the sharing of research and action-project results throughout the aid community and with key institutions in developing countries. Such networks include the following:

- AGRIS: international information system for agricultural systems and technology;
- DEVSIS: network on the economic and social aspects of development;
- INFORPLAN: Latin American planning information network;

- CARISPLAN: Caribbean information system for economic and social planning; and
- Various electronic conferences (e.g., CIDA/External Affairs, Indonesian–Canadian network).

Gertler (1986) argues that, ironically, information technology both creates the need for, and makes eminently feasible, a process of international networking. The problem is not the technology, however; it is encouraging the utilization of the technology.

Development-thrust networks

An example of a network of aid agencies focusing on a specific development thrust is "Agriculture Production in Africa." CIDA and IDRC recently began to cooperate in a program aimed at assisting groups and institutions whose goal is to increase food production in Africa.

NGO networks

The following four examples are successful NGO networks:

- Canadian Council for International Co-operations;
- African Women's Network;
- Walhi Indonesian Environmental Forum; and
- African NGOs Environment Network.

Theme-area networks

There are many examples of successful theme-area networks in Third World development. The Consultative Group on International Agricultural Research (CGIAR), for example, is an outstanding model of how donor cooperation can set research priorities. The efforts of CGIAR have sparked the establishment of many major research centres around the world, each dedicated to specific agricultural problems. The INCLEN Network for Epidemiology and the Network of Community Based Health Education organized out of McMaster University are examples of the new use of networks to create centres of excellence.

The Research Review Advisory Group was initiated by IDRC as a multinational advisory group to help set priorities for donor support to education in developing countries. The network has since evolved into a number of regional networks (Northern Africa, Francophone Africa, East and Southern Africa, Caribbean, Southeast Asia) and now provides a focus for information exchange between researchers interested in education issues in the developing world.

Another example is the International Federation of Training and Development Organizations (IFTDO). IFTDO is a nonprofit, registered charity in the United Kingdom with 60 member organizations representing the views of over 70 000 trainers and HRD specialists worldwide. Its major aim is to encourage worldwide education, cross-cultural exchange, and cooperation in the HRD field,

with particular emphasis on the transfer of training knowledge and skills from the developed to the developing world. Their 1980 conference, *Seeking synergy*, dealt with forming new partnerships between public and statutory bodies to meet future world training needs.

Other theme-area networks include the newly created Canadian University Federation of International Health, the Network of Organizations for Development through Education, the Knowledge Network, and the Forum for International Activity (FIA).

The Forum for International Activity

It is important to fully describe FIA because it emerged directly from the IDRC-supported HRD study that led up to this report. FIA is a nonprofit association of public- and private-sector organizations (crown corporations, private development agencies, educational institutions, and private companies) concerned with strengthening the Canadian HRD community interested in international activities. This support is necessary to improve the capacity of Canadian executing agencies (CEAs) to win more of the substantial projects put to tender by international agencies or foreign governments and to improve utilization of Canadian aid money by CEAs in assisting Third World countries to improve their own institutions. If FIA is to assist its members, it must develop a reputation for what members have described as "practical, objective, intellectual analysis and synthesis related to international HRD."

Mandate and objectives

FIA's mandate, as developed by the participants at a workshop in October 1986, is described in the following eight categories.

As a network

- To foster the linkages, consortia, exchange of ideas, and personal contacts that will maximize the Canadian HRD capacity and ability to respond.
- To assist members in the design, implementation, and management of new activities.
- To assist in the development of pilot projects for new areas of Canadian HRD capacity.
- To facilitate the use of new HRD mechanisms not regularly employed by network members.

As a forum

- To organize or stimulate focused workshops, seminars, conferences, and small discussions.

As a broker

- To identify and assist in the development of joint ventures and partnerships within Canada and between Canadian and international organizations.
- To provide project analysis and orchestration capacity to the members, thereby reducing the fragmentation of the Canadian HRD effort.

Research

- To undertake or encourage sponsored, action-oriented research on relevant HRD topics.
- To facilitate the writing and circulation of action-oriented issue papers.

Advocacy

- To develop and provide policy input at the senior levels of relevant Canadian and other government institutions as a means of nurturing the strength of the HRD community.
- To serve as a representative body where and when significant HRD decisions and policies are being made.

Information management

- To undertake or stimulate the development of easily accessible information services that promote the matching of Third World HRD needs with Canadian resources.
- To develop a corporate memory that can be easily activated.

Professional development

- To organize or encourage the design of short training programs that will assist CEAs to improve their professional competence.
- To assist non-FIA groups to strengthen their capacity to carry out their own HRD activities (on a fee-for-service basis).

Representation

- To promote the quality, experience, and accessibility of Canadian HRD activities in the international community.
- To provide an organized Canadian presence at international HRD gatherings.

In its first 18 months of existence, FIA was funded by its members (with some support from IDRC for a workshop and the development of some issue papers). This commitment of the members suggests that the network could support significant steps to improve HRD capacity in this country and to strengthen the Canadian HRD community. Despite extensive expressions of interest from various private and public agencies, however, no start-up financial support has been forthcoming to allow FIA to move forward. Thus, FIA remains a useful tool waiting to be utilized.

Implications of networks

Networks tend to emerge where people are trying to change society and can exist to foster self-help, exchange information, change society, improve productivity and work life, or share resources. Structured in this way, networks can transmit information faster and more efficiently than most other processes (experienced networks claim they can reach almost anyone in the world with only six interactions). Because sharing of information is so important to networks, the creative development and use of data banks, electronic billboards, and other communication technology is important. Serious pilot projects have to be undertaken to assist the Canadian HRD community to become linked through this technology in a manner which it will use effectively.

In the network environment, rewards come by empowering others, not by climbing over them. If it is important, as this report suggests, to bring public- and private-sector groups together in Canada for international HRD work, then it will be necessary to strengthen the network approach. Joint ventures and consortia will only work if Canadian organizations can cooperate on some projects and be friendly competitors in others. This ethic of empowerment is particularly important when developing meaningful partnerships with developing-country institutions. Often, the Canadian group is not empowering the Third World group but competing with it. Network projects could lessen the power or inclination of a Canadian group to behave in this manner.

Sharing cannot only be from the CEAs to the aid agencies; CIDA and IDRC must share their ideas at an early stage with the Canadian HRD community if the open communication and assistance from these groups is to continue. There is also a need for new styles of network management to be strengthened. The need is greater for brokers and catalysts than for chief executive officers. The success of a network relies to a considerable extent on the degree of focus on a specific problem and the number of enthusiasts to promote the network.

In conclusion, it is important to recognize that the work of building networks is extremely time consuming and, because the product is not clear cut, it is often difficult to find agencies eager to pay for this activity. At present, it is important to find mechanisms for funding and nurturing the growth of a variety of HRD networks, both within Canada and between Canadian and developing-country institutions.

10 Conclusions

In drawing some final conclusions, it is necessary to restate some of the technical limitations of this report, previously mentioned in the description of methodology. The report did not set out to prove a specific hypothesis. Thus, there is nothing to be gained in trying to pull together all the findings to justify particular arguments. Rather, the report is meant to stimulate further strategic thinking and informed debate on the manner in which Canadian institutions might best respond to developing-country HRD needs.

In developing new strategies for any organization, it is essential to have a clear picture of the changing environment to which one's organization is trying to respond. This report has been written on the premise that the human resource component of international development is in a state of flux. The way in which Canadian organizations respond to these changes will determine whether the strength of the Canadian HRD community deteriorates rapidly or emerges with new strength to respond appropriately to both Canadian and Third World development needs. Many aspects of the development process are being rethought. In particular, traditional relationships are changing not only between donor and recipient but also between public- and private-sector groups within developed and developing countries.

Human resource development is not a new concern for the Canadian aid community. Rather, it is an issue the community is reviewing and reshaping after believing, wrongly it seems, that it had been dealt with. In developing a new HRD thrust, Canadian agencies should be concerned with what can be learned from earlier efforts and what it will take to perform better in today's environment. Whether the quality of HRD work improves will depend largely on the ability of those directly involved to accept the necessity of the changes and successfully manage their implementation.

The following are some of the changes highlighted in this report.

- A greater variety of participants are involved (colleges, universities, NGOs, professional associations, government departments, crown corporations, and private firms).
- Roles are changing (recipients are presented as clients, academic institutions as knowledge-processing industries, charities (NGOs) as service enterprises, etc.).
- Attitudes are changing (or, more accurately, in many cases, the paper calls for a change of attitude); the compartmentalization of HRD by sector (Health, Agriculture, etc.) by function (e.g., teacher, researcher, manager), and by level (professional, technical, support) is challenged.

- Canadian institutions are now responding to Third World HRD needs that cut across not only disciplines but also institutions. Institutions are asked to increase their interdisciplinary efforts and readers are asked to consider interdisciplinarity. When a wide range of talents are nurtured and combined, HRD leads to sustained development.

New delivery models are being developed that can deal with these new issues and function efficiently during economic restraint.

There is a need for experimentation and support for more entrepreneurial action in support of development. This is a particular challenge to those who work in donor agencies and can direct the flow of funds. The extent to which policymakers and advisers in donor agencies recognize the new opportunities and challenges presented by the current search for more effective HRD support will have a major impact on the success of new Canadian initiatives.

This study brings a "market perspective" to the proposition that Canada is potentially well equipped to respond to the HRD needs of the Third World. This market perspective has been stated strongly to push those working in HRD out of stereotypes and to look for new approaches. The emphasis is on new approaches, new processes, and new methods. At the heart of this perspective is the expectation that there is a relatively untapped resource for HRD in the private sector. If melded with the traditional HRD focus, skills, procedures, etc., of the established HRD community (i.e., universities, NGOs, consultants, etc.), this resource would lead to better HRD projects that responded more sensitively to developing-country needs and produced a better product (trained people, transferred technology, know how, etc.) and would make Canada a preferred place for training, with all the positive implications this has for training institutions, foreign relations, Canadian image, and economic returns.

Those Canadians who are seriously committed to international HRD at the delivery–product level should be given the resources and autonomy to do their best work. The donors (CIDA and IDRC) know they lack the administrative capacity to do a top-notch job in HRD, at both the training level and the integrating level (i.e., the level where the training efforts must be linked to the longer term HRD problems of institutional strengthening). Although they are beginning to recognize the inadequacy of their administrative capacity, the donors have kept the HRD practitioners on a short leash. In particular, they still cling to old policies and procedures that often conflict with the new mandate they are preaching and the donors have tended to fragment the community by dealing often under different sets of conditions and terms of reference, with the different suppliers.

CIDA and IDRC both say they are open to the market approach but seem to get cold feet when they think of the potential for abuse when the profit motive has to be balanced with the charitable, altruistic aspects of development. Members of the Canadian HRD community who are interested in international projects have an important responsibility to inform themselves of the changing environment and context in which they do their work. To strengthen and increase the capacity of Canadian institutions to respond to new opportunities in international HRD requires changes in attitude (defining international HRD needs and potential capacity in a new light), changes in structure (organizing for cooperative efforts among public and private institutions), and changes in financing (finding new ways of mobilizing capital to develop new Canadian capacity).

Serious consultations are needed between the Canadian aid agencies and public- and private-sector agencies (upon whom they are counting to deliver the HRD) to develop strategies and operation policies that fit the new challenge and training initiatives that will help Canadian organizations to implement these new policies. All of these efforts are particularly important at this juncture when Canada is moving to make human resource development the cornerstone of its aid efforts.

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